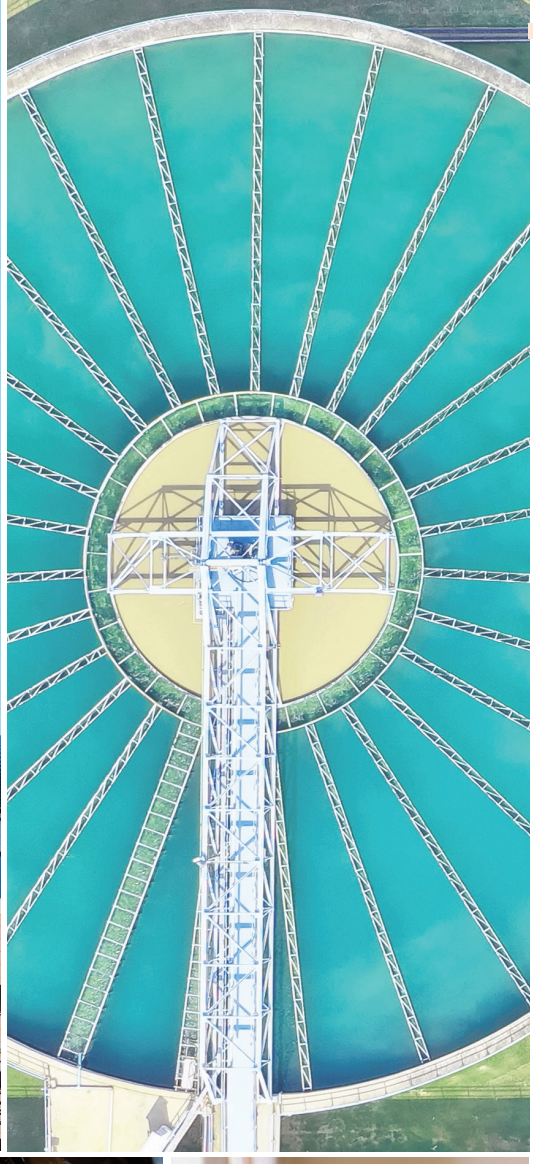
2024-25
Annual Report of Subsidiary Companies

THERMAX



Driven by **Purpose.** Defined by **Impact.**

#ThermaxForABetterTomorrow

SUBSIDIARIES

DOMESTIC

- Thermax Engineering Construction Company Limited 4-33
- Thermax Instrumentation Limited 34-73
- Thermax Onsite Energy Solutions Limited 74-111
- Thermax Cooling Solutions Limited 112-137
- Thermax Babcock & Wilcox Energy Solutions Limited 138-186
- First Energy Private Limited 187-260
- Thermax Bioenergy Solutions Private Limited 261-296
- EnerNxt Private Limited 297-314
- First Energy TN 1 Private Limited 315-339
- First Energy 2 Private Limited 340-363
- First Energy 3 Private Limited 364-393
- First Energy 4 Private Limited 394-422
- First Energy 5 Private Limited 423-449
- First Energy 6 Private Limited 450-474
- First Energy 7 Private Limited 475-500
- First Energy 8 Private Limited 501-524
- First Energy Nine Private Limited 525-546
- First Energy 10 Private Limited 547-566
- First Energy 11 Private Limited 567-584
- Jalansar Wind Energy Private Limited 585-608
- Kanakal Wind Energy Private Limited 609-631
- Buildtech Products India Private Limited 632-660
- Thermax Chemical Solutions Private Limited 661-675
- TSA Process Equipments Private Limited 676-711
- Thermax Vebro Polymers India Private Limited 712-734

OVERSEAS

- Thermax Europe Limited 737-745
- Thermax International Limited (Mauritius) 746-754
- Thermax Inc. (U.S.A.). 755-761
- Thermax do Brazil – Energia e Equipamentos Ltda. (Brazil) 762-764
- Thermax Netherlands B.V. 765-771
- Thermax Denmark Aps (Denmark) 772-784
- Danstoker A/S (Denmark) 785-794
- Ejendomsanpartsselskabet Industrivej Nord 13 (Denmark) 795-800
- Rifox-Hans Richter GmbH Spezialarmaturen 801-807
- Thermax SDN. BHD. (Malaysia) 808-820
- Boilerworks A/S (Denmark) 821-825
- PT Thermax International Indonesia 826-845
- Thermax Engineering Singapore PTE Ltd. (Singapore) 846-856
- Thermax Energy & Environment Philippines Corporation (Philippines) 857-866
- Thermax Nigeria Limited 867-884
- Thermax Energy & Environment Lanka (Private) Ltd 885-895
- Danstoker Poland SP. ZO.O. 896-932
- Thermax International Tanzania Limited 933-946
- Thermax Engineering Construction FZE 947-959
- Thermax (Thailand) Limited 960-964

THERMAX ENGINEERING CONSTRUCTION COMPANY LIMITED

Board of Directors

Ravinder Advani (upto April 24, 2024)
Pravin Karve
B.C. Rajesh
Bhavesh Chheda (upto March 31, 2025)
Sandeep Deshpande (w.e.f. March 20, 2025)

Registered Office
Thermax House,
14, Mumbai – Pune Road, Wakdewadi,
Pune – 411003

Auditors
B. K. Khare & Co.
Chartered Accountants
706/708, Sharda Chambers, New
Marine Lines, Mumbai – 400 020, India

Corporate Office
Energy House, D-II Block,
Plot No. 38 & 39
MIDC Chinchwad
Pune - 411 009

Bankers
Union Bank of India
ICICI Bank Limited

DIRECTORS' REPORT

Dear Shareholder,

The Directors present the Thirty Fourth Annual Report of the Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total Income	**57.53**	132.54
Profit/(Loss)Before tax and Depreciation	**(18.42)**	94.32
Depreciation	**-**	-
Profit/(Loss) Before Tax	**(18.42)**	94.32
Profit /(Loss) After Tax	**(18.42)**	94.32

State of Company's affairs

For the year under review, the Company's total income is Rs. 57.53 lakh compared to Rs. 132.54 lakh in the previous year. The Company's profit /(loss) before tax is Rs. (18.42) lakh (previous year, Rs. 94.32 lakh) and profit/ (loss) after tax of Rs. (18.42) lakh (previous year Rs. 94.32 lakh).

The Company does not have any order balance as on March 31, 2025.

Change in nature of business

There is no change in nature of business during the year under review.

Material changes affecting financial position of the Company

No material changes and commitments have occurred after the close of the year till the date of this report, which affect the financial position of the Company.

Health and Safety

Health and Safety at project sites is of paramount importance to the Company. The Company strives for continuous improvement and its objective is to establish world class safety practices at sites. Safety culture is inculcated as part of day to day operations by site managers.

Dividend

The Board of Directors of your Company did not recommend any dividend during the financial year 2024-25.

Amount proposed to be carried to Reserves

The Company does not propose to carry any amount to reserves.

Share Capital

The Paid-up Share Capital of the Company is Rs. 450 lakhs. During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

Subsidiaries

Thermax Engineering Construction FZE (TEC FZE) Nigeria, a wholly owned subsidiary of the Company is primarily catering to the Erection & Commissioning and supervision of HRSG, Utility boilers, Flue gas coolers and Construction & commissioning of Hot Oil heater supplied to Dangote Petroleum Refinery and Petrochemical Free Zone Enterprise and Dangote Oil Refinery Co. Ltd., Lagos Nigeria. For the year ended March 31, 2025, TEC FZE has recorded operational revenue of Mn USD 1.27 with operating profit/(loss) of Mn USD (0.33).

Annual accounts of the subsidiary company and related detailed information are available to the shareholders of the holding and subsidiary company as well as to the statutory authorities. On request, these documents will be made available for inspection at the Company's Registered Office.

Deposits

During the financial year 2024-25, the Company has not accepted any deposits under Chapter V of the Companies Act, 2013.

Particulars of Loans, Guarantees or Investments

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the financial statements.

Restriction on purchase by Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company or Directors for purchase or subscribe shares of the Company.

Annual Return

The Company does not have a website and hence in terms of provisions of Section 92 of the Companies Act, 2013 the requirement of publishing Annual Return is not applicable.

Business Risk Management

In order to reduce impact of business risks of the Company, the management has identified key risks affecting the business adversely. The key risks identified are as under:

- Delay in execution due to default of contractors.
- Delay in execution due to unforeseen site conditions including natural calamities.
- Delay in recovery of retention amounts from customers.
- Cost overrun due to delays as well as unforeseen site related factors such as access, approach roads, soil condition etc.

The Company has put in place several mitigation measures such as:

- Vendor evaluation and analysis prior to awarding the contract.
- Site visit prior to making a quotation.
- Frequent review of retention obligations.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively. Internal Audit is not applicable to the Company as per Section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014.

Directors

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. B.C. Rajesh (DIN: 10486449) and Mr. Pravin Karve (DIN: 06714708) retires by rotation, and being eligible, offers themselves for re-appointment as Director.

The Members of the Company, at the 33rd Annual General Meeting held on July 26, 2024, approved the appointment of Mr. B.C. Rajesh (DIN: 10486449) as Director of the Company.

The Board of Directors, at its meeting held on March 20, 2025, appointed Mr. Sandeep Deshpande (DIN: 09748806) as an Additional Director of the Company. Mr. Sandeep Deshpande shall hold office as an Additional Director until the date of the ensuing Annual General Meeting. It is now proposed to appoint him as a Director of the Company, liable to retire by rotation, subject to the approval of the Members at the 34th Annual General Meeting.

Further, Mr. Ravinder Advani (DIN: 01677195) and Mr. Bhavesh Chheda (DIN: 08558510), Directors resigned from the Board of your Company effective from April 24, 2024 and March 31, 2025 respectively.

Board Meetings

The Board met five times during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Attendance details of the Board are as follows:

Name	Board Meetings				
	May 6, 2024	July 29, 2024	October 23, 2024	January 27, 2025	March 20, 2025
Mr. B.C. Rajesh	P	P	P	P	P
Mr. Pravin Karve	P	A	P	A	P
Mr. Bhavesh Chheda#	P	P	P	P	P

#Mr. Bhavesh Chheda ceased to be a Director of the Company w.e.f. March 31, 2025

Mr. Sandeep Deshpande appointed as Additional Director w.e.f. March 20, 2025

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors have prepared the annual accounts on a going concern basis; and

(e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as may be amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Corporate Social Responsibility

In compliance with Section 135 of the Companies Act, 2013 and as part of its initiatives under CSR, the Company has contributed Rs. 9.19 lakh to Thermax Foundation. A Report on CSR activities is annexed as "Annexure 1".

Related Party Transactions

All Related Party Transactions (RPTs) that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant RPTs made by the Company with Directors, Key Managerial Personnel, if any, or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in Form AOC-2 are not attracted.

During the year, RPTs were placed before the Board for its review. A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

Financial Statements

The financial statements for the year ended March 31, 2025, have been prepared as per Schedule III to the Companies Act, 2013, as amended from time to time.

Conservation of Energy

The Company's Corporate Office is situated at Energy House, Chinchwad, owned by the holding company which undertakes various measures to conserve energy. At sites, the Company uses energy saving bulbs for lighting of stores & site offices and the construction power through grid is sought from the customer, wherever practically possible instead of deploying costly and polluting DG sets for power generation.

Technological Absorption

There was no technology acquisition and absorption during the year under review.

Foreign Exchange Earnings and Outgo

The net foreign exchange earnings during the year is Rs. 247.5 lakhs.

Particulars of Employees

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company is committed to provide a safe and conducive work environment to its employees. There is a duly constituted Internal Committee and there were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Details of difference between the amounts of valuation at the time of one time settlement and the valuation done at the time of taking a loan from the banks or financial institutions along with the reasons thereof:

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Auditors

The Board of Directors at its meeting held on April 30, 2025, has recommended appointment of M/s. B.K. Khare & Co. (Firm Registration: 105102W) as the Statutory Auditors of the Company for term of one year from the conclusion of Thirty Fourth Annual General Meeting until the conclusion of the Thirty Fifth Annual General Meeting for the approval of the shareholders of the Company.

The auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Cost Records Applicability

The provisions relating to maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 were not applicable on the Company during the financial year.

Acknowledgments

The Board of Directors takes this opportunity to thank its customers, bankers, employees and all other stakeholders for their persistent support to the Company. The Directors look forward to their continued co-operation in the future as well.

For and on behalf of the Board of Directors of
Thermax Engineering Construction Company Limited

	B.C. Rajesh	**Sandeep Deshpande**
Pune	Director	Director
Date: April 30, 2025	DIN: 10486449	DIN: 09748806

Annexure 1

Corporate Social Responsibility Activities of the Company during the Financial Year 2024-25:

1. **Brief Outline on CSR Policy of the Company:**

The Company has decided to adopt the CSR Policy of the holding company which predominantly keeps focus in the area of education of economically under privileged children.

Apart from education, the holding company is also involved, in a small way, in addressing the issue of social discrimination, through affirmative action, skill development and employability initiatives.

The holding company has created a formal structure to design and implement its CSR Programme and the Company has decided to support the initiative of the holding company.

2. Composition of CSR Committee: **NA**

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company..

   The details of Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company on **NA**

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.. **NA**

5. Details of Net Profit and CSR Obligation for the Financial Year 2024-25:

Rs. Lakhs

(a) Average net profit of the company as per sub-section (5) of section 135.	459.11
(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	9.19
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	NIL
(d) Amount required to be set-off for the financial year, if any.	NIL
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	9.19

6. Details of amount spent on CSR Obligations:

Rs. Lakhs

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	9.19
(b) Amount spent in Administrative Overheads.	NIL
(c) Amount spent on Impact Assessment, if applicable.	NA
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	9.19

e) CSR amount spent or unspent for the Financial Year:

Total Amount spent for the Financial Year 2024-25 (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
9.19	--	--	--	--	--

(f) Excess amount for set-off, if any: NIL

Rs. Lakhs

Sl. No.	Particulars	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	9.19
(ii)	Total amount spent for the Financial Year	9.19
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceeding Financial year(s)	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account Under subsection (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
1	FY-1	--	--		--	--	--	--
2	FY-2	--	--		--	--	--	--
3	FY-3	--	--		--	--	--	--

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NO**

   If yes, enter the number of Capital assets created/ acquired: **NA**

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NA**

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
--	--	--	--	--	--	--	--

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135: **NA**

For and on behalf of the Board of Directors of
Thermax Engineering Construction Company Limited

B.C. Rajesh
Director
DIN: 10486449

Sandeep Deshpande
Director
DIN: 09748806

Pune
Date: April 30, 2025

INDEPENDENT AUDITORS' REPORT

To the members of Thermax Engineering Construction Company Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Thermax Engineering Construction Company Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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, 2025, its profit and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures but does not include the Financial Statements and our Auditors' 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 for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) Based on the records examined by us and according to information and explanations given to us, the Company has not paid/provided for managerial remuneration. Hence, the provisions of Section 197 of the Act related to managerial remuneration are not applicable.

   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 20(A) 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

   (iv) (a) The management has represented that, to the best of its knowledge and belief, 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 that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement;

   (v) The Company has not declared/paid/declared and paid any dividend during the year; and

   (vi) Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for direct changes to data when using certain privileged access rights as described in note 30(b) of the financial statements. Further, during the course of our audit, we did not come across any instance of the audit trail feature being tampered with in respect of accounting software. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXRX9234
Place: Pune
Date: April 30, 2025

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

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

We have audited the internal financial controls with reference to financial statements of **Thermax Engineering Construction Company Limited** ("the Company") as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXRX9234
Place: Pune
Date: April 30, 2025

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

(i) (a) (b) According to the information and explanations given to us, the Company does not have any Property, Plant and Equipments and Intangible assets hence reporting under clause 3((i)(a) and (b) is not applicable to the Company.

(c) According to the information and explanations given to us, the Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee). Hence reporting under clause 3((i)(c) is not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence reporting under clause 3((i)(d) is not applicable to the Company.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, 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) The Company is in the business of rendering services and consequently, does not hold any inventory. Accordingly, the reporting under Clause 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not 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 at any point of time during the year.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund and Income-tax, have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been a slight delay in a few cases. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax, Cess and other material statutory dues.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of 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 other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Cess and any other material statutory dues as at March 31, 2025, which have not been deposited with the appropriate authorities on account of any dispute. According to the information and explanations given to us and records of the Company examined by us, the particulars of dues of Goods and Services Tax Profession Tax and Income Tax which have not been deposited as on March 31, 2025 on account of disputes are as under:

Name of the Statute	Nature of the dues (Including Interest and Penalty as applicable)	Amount (In Rs. Lakhs)	Period to which the amount relates	Forum where the dispute is pending
Service Tax (Finance Act, 1994)	Dispute regarding Service tax on Notice Period Recovery	5.73	FY 2012 to 2017	Custom, Excise and Service Tax Appellate Tribunal
Maharashtra Goods and Service Tax Act ,2017	Dispute regarding in-eligible ITC claimed	52.46*	FY 2017-18, FY 2018-19	Asst. Commissioner of State Tax.
Income Tax Act, 1961	Dispute regarding Contribution equalization and provision of liquidated damage	87.45	FY2016-17	Commissioner of Income Tax [Appeals]
Income Tax Act, 1961	Dispute regarding Contribution equalization	5.21	FY2017-18	Commissioner of Income Tax [Appeals]

*Including interest of Rs.23.04 lakhs and penalty of Rs. 3.44 lakhs

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) Though establishment of vigil mechanism is not mandated for the Company by the Act, or by Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) ("SEBI LODR") Regulations, as represented by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

(xiv) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the act. Accordingly, reporting under clause 3(xiv) is not applicable to the company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company and subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one Core Investment Company.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.

(b) According to the information and explanations given to us, there are no ongoing projects relating to corporate social responsibility. Accordingly, the reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXRX9234
Place: Pune
Date: April 30, 2025

THERMAX ENGINEERING CONSTRUCTION COMPANY LIMITED

BALANCE SHEET as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Investment in subsidiary	9	0.76	0.76
Other financial assets	4 (a)	97.44	-
Income-tax assets (net)		78.21	80.67
Other non-current assets	6 (a)	606.09	623.85
Total non-current assets		**782.50**	**705.28**
II. Current assets			
Financial assets			
(a) Trade receivables	3	204.06	114.73
(b) Cash and cash equivalents	7 (a)	299.90	10.79
(c) Bank balances other than (b) above	7 (b)	178.49	693.15
(e) Other financial assets	4 (b)	50.00	-
Other current assets	6 (b)	32.07	58.90
Total current assets		**764.52**	**877.57**
Total assets		**1,547.02**	**1,582.85**
Equity and liabilities			
I. Equity			
Equity share capital	8A	450.00	450.00
Other equity	8B	1,049.46	1,081.19
Total equity		**1,499.46**	**1,531.19**
II. Current liabilities			
Financial liabilities			
(a) Trade payables			
- total outstanding dues of micro enterprises and small enterprises	10	1.60	1.60
- total outstanding dues of creditors other than micro enterprises	10	36.62	35.95
(b) Other financial liabilities	11	1.11	3.44
Other current liabilities	13	1.95	2.72
Provisions	12	6.28	7.95
Total current liabilities		**47.56**	**51.66**
Total equity and liabilities		**1,547.02**	**1,582.85**
Summary of material accounting policies, judgements, estimates and assumptions	2		

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

For B. K. Khare and Company
Chartered Accountants
ICAI Firm Reg No.105102W

Amit Mahadik
Partner
Membership No:125657

Date: April, 30 2025
Place: Pune

For and on behalf of the Board of Directors of Thermax Engineering Construction Company Limited

Rajesh Bukinkere
Director
DIN: 10486449

Date: April, 30 2025
Place: Pune

Sandeep Deshpande
Director
DIN: 09748806

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	Year Ended March 31, 2025	Year Ended March 31, 2024
Income			
Other income	14	57.53	132.54
Total Income		**57.53**	**132.54**
Expenses			
Employee benefits expense	15	7.75	7.52
Other expenses	16	68.20	30.70
Total expenses		**75.95**	**38.22**
Profit before tax		**(18.42)**	**94.32**
Tax expense			
Current tax	5 (a)	-	-
Deferred tax	5 (b)	-	-
Total tax expense		**-**	**-**
(Loss)/Profit for the year		**(18.42)**	**94.32**
Other comprehensive income			
A. Items that will not be reclassified to profit or loss			
Re-measurement of defined benefit plans		(13.31)	0.59
Less: Income tax effect	5 (a)	**-**	**-**
		(13.31)	0.59
Net other comprehensive income for the year, net of tax.		**(13.31)**	**0.59**
Total comprehensive income for the year		**(31.73)**	**94.91**
"Earning per equity share [Nominal value per share Rs. 10/- (March 31, 2024: 10/-)] Basic and Diluted"	19	**(0.41)**	**2.10**
Summary of material accounting policies, judgements, estimates and assumptions	2		

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

For B. K. Khare and Company
Chartered Accountants
ICAI Firm Reg No.105102W

Amit Mahadik
Partner
Membership No:125657

Date: April, 30 2025
Place: Pune

For and on behalf of the Board of Directors of Thermax Engineering Construction Company Limited

Rajesh Bukinkere
Director
DIN: 10486449

Date: April, 30 2025
Place: Pune

Sandeep Deshpande
Director
DIN: 09748806

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows from operating activities**			
	Profit before tax		(18.42)	94.32
	Adjustments to reconcile profit before tax to net cash flows			
	Provision for impairment allowance of financial assets (net)	16	8.06	(89.22)
	Bad debts written off	16	16.39	85.46
	Profit on sale/discard of assets (net)	14	(1.27)	(3.64)
	Interest income	14	(42.51)	(88.71)
	Proceeds from maturity of fixed deposits	14	-	-
	Liabilities no longer required written back	14	(2.64)	(13.25)
	Working capital adjustments			
	(Increase)/ Decrease in Trade receivables		(113.78)	(23.84)
	(Increase)/ Decrease in Loans and Other financial assets		(147.44)	-
	(Increase)/ Decrease in Other assets		44.59	98.44
	Increase /(Decrease) in Trade payables		3.31	9.94
	Increase / (Decrease) in Provisions		(14.98)	3.87
	Increase /(Decrease) in Other financial liabilities		(2.33)	(14.50)
	Increase /(Decrease) in Other liabilities		(0.77)	(15.62)
	Cash generated from / (used in) operations		**(271.79)**	**43.25**
	Direct taxes paid (net of refunds received)		2.46	1.69
	Net cash inflow from operating activities		**(269.33)**	**44.94**
B)	**Cash flows from investing activities**			
	Sale of property, plant and equipment		1.27	3.64
	Investment in Fixed Deposit		514.66	(213.46)
	Interest received		42.51	88.71
	Net cash flows from investing activities		**558.44**	**(121.11)**
C)	**Cash flows from financing activities**			
	Interim dividends paid		-	-
	Net cash flows (used in) financing activities		**-**	**-**
	Net increase / (decrease) in cash and cash equivalents		**289.11**	**(76.17)**
	Cash and cash equivalents at the beginning of the year	7 (a)	10.79	86.96
	Cash and cash equivalents at the end of the year		**299.90**	**10.79**

Reconciliation of cash and cash equivalents as per the cash flow statement:

Particulars	Note No.	March 31, 2025	March 31, 2024
Cash and cash equivalents	7 (a)	299.90	10.79
Balances as per Cash flow statement		**299.90**	**10.79**

For B. K. Khare and Company
Chartered Accountants
ICAI Firm Reg No.105102W

Amit Mahadik
Partner
Membership No:125657

Date: April, 30 2025
Place: Pune

For and on behalf of the Board of Directors of Thermax Engineering Construction Company Limited

Rajesh Bukinkere
Director
DIN: 10486449

Date: April, 30 2025
Place: Pune

Sandeep Deshpande
Director
DIN: 09748806

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital#

Particulars	Note No.	March 31, 2025	March 31, 2024
Balance at the beginning of the year	10A	450.00	450.00
Changes in equity shares capital during the year	10A	-	-
Balance at the end of the year	**10A**	**450.00**	**450.00**

B Other Equity#

Particulars	Reserves & Surplus		
	General reserve	Retained Earnings	Total
As at April 1, 2023	**525.21**	**461.06**	**986.27**
Profit for the year	-	94.32	94.32
Other Comprehensive Income	-	0.59	0.59
Total comprehensive income	-	94.91	94.91
Dividends paid (Inclusive of dividend distribution tax)	-	-	-
As at March 31, 2024	**525.21**	**555.97**	**1,081.18**
Profit for the year	-	(18.42)	(18.42)
Other Comprehensive Income	-	(13.31)	(13.31)
Total comprehensive income	-	(31.73)	(31.73)
Interim dividends paid	-	-	-
As at March 31, 2025	**525.21**	**524.24**	**1,049.45**

There are no adjustments on account of prior period errors or due to changes in accounting polices.

For B. K. Khare and Company
Chartered Accountants
ICAI Firm Reg No.105102W

Amit Mahadik
Partner
Membership No:125657

Date: April, 30 2025
Place: Pune

For and on behalf of the Board of Directors of Thermax Engineering Construction Company Limited

Rajesh Bukinkere
Director
DIN: 10486449

Date: April, 30 2025
Place: Pune

Sandeep Deshpande
Director
DIN: 09748806

1. Corporate information

Thermax Engineering Construction Company Limited (the "Company") is a public company domiciled in India. It is a wholly owned subsidiary of Thermax Limited. The Company is engaged in erection and commissioning of boilers supplied by its parent company Thermax Limited and also by other suppliers. The Corporate Identification Number (CIN) of the Company is U29246MH1991PLC062959.

The address of the registered office is Thermax House, 14, Mumbai – Pune Highway, Wakdewadi, Pune, 411001. The Board of Directors have authorized to issue by these separate financial statements on April 30, 2025

2. Material accounting policies

2.1. Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

The preparation of the financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

(b) Basis of measurement

The financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments)
- Defined benefit plans whereby the plan assets are measured at fair value

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakhs except when otherwise indicated.

2.2. Changes in accounting policies and disclosures

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated March 31, 2023 to amend the following Ind AS which are effective for annual periods beginning on or after April 01, 2023. The Company applied for the first-time these amendments.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendment clarifies the distinction between changes in accounting estimates and changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates.

The amendment had no impact on the Company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendment aims to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures.

The amendments have had an impact on the Company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the Company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendment narrows the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases.

The amendment had no impact on the Company's financial statements.

2.3 Summary of significant accounting policies

a. Current and non-current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and services and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its normal operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities. Deferred tax assets and liabilities are classified as non-current assets and liabilities.

b. Foreign currencies

The Company's financial statements are prepared in INR, which is the also functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of profit and loss.

c. Fair value measurement

The Company measures financial instruments, such as, derivatives 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. 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.

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

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

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- 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 the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant judgements, estimates and assumptions (note 2)
- Quantitative disclosures of fair value measurement hierarchy (note 23)
- Financial instruments (including those carried at amortized cost) (note 23)

  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.

d. Property, Plant and Equipment

Property, plant and equipment (PPE) is stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalized. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/part have a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The management has estimated, supported by independent assessment by professionals, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment *	1 to 10	9 to 15
Office equipment	1 to 3	5
Computers	2 to 3	3
Vehicles	3 to 6	8

* Includes site infrastructure which is fully depreciated.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

e. Intangible assets

Intangible assets are stated at acquisition cost, net of accumulated amortization.

f. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The Company has following streams of revenue:

i. Revenue from Engineering, Procurement and Construction contracts

Engineering, Procurement and Construction contracts are contracts (or a group of contracts secured together) specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Company identifies distinct performance obligations in each contract. For most of the project contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

The Company may promise to provide distinct goods or services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Company uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date

The Company recognizes revenue over time as it performs because of continuous transfer of control to the customer. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process as evidenced either by contractual termination clauses or by the rights of the Company to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternative use.

The Company uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

The Company estimates variable consideration amount which it expects to be entitled under the contract and includes it in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognized will not occur and when the uncertainty associated with it is subsequently resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Costs associated with bidding for contracts are charged to the Statement of profit and loss when they are incurred. Costs that relate directly to a contract and are incurred in securing the contract are included as part of the contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are not distinct from the existing contract due to the significant integration service provided under the contract prior to modifications and are therefore, accounted for as part of the existing contract. The effect of a contract modification is recognized as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Company recognizes the expected losses from onerous contract as an expense immediately. Penalties for any delay or improper execution of a contract are recognized as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

On the balance sheet date, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognized profits (less recognized losses) exceed progress billings; a contract represents a liability where the opposite is the case.

ii. Revenue from Sale of goods

If the criteria for revenue under over-a-period of time as mentioned above are met, the Company recognized revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is generally determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred. The Company provides for warranty provision for general repairs up to 18 months on its products sold, in line with the industry practice. A liability is recognized at the time the product is sold. The Company does not provide any extended warranties.

iii. Revenue from Sale of services

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized as the related services are performed on a time proportion basis under the contracts.

Contract balances

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional. Contract assets are recorded in balance sheet as unbilled revenue.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Also refer accounting policies on financial instruments in note g below.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made, or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and Customer advances

Interest Income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Dividend Income

Revenue is recognized when the Company's right to receive the payment is established by the reporting date.

g. Financial instruments

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.

Financial Assets

All financial assets are recognized 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 asset. For all subsequent measurements financial assets are classified in following categories:

Debt instruments

Debt instruments at amortised cost: The debt instrument is at amortised cost if the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the asset give rise on specified dates to cash flow that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

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This category is most relevant to the Company. After initial measurement, such assets are subsequently measured at amortised cost using the effective interest rate method (EIR). Amortised cost is calculated by taking into account any discount or premium on acquisition and fees for cost that are an integral part of the EIR. The EIR amortisation is included in other income in the Statement of Profit and Loss. This category generally applies to loans and trade and other receivables.

Debt instruments fair value through OCI (FVOCI): A debt instrument is classified as FVOCI 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. The Company has not classified any financial assets under this category.

Debt instruments at fair value through profit and loss (FVTPL): Debt instruments not classified as amortised cost or FVOCI are classified as FVTPL. The Company has classified any debt under this category.

De- recognition

A financial asset (or wherever applicable, a part of the financial asset or part of a group of similar financial assets) is primarily derecognized when the rights to receive cash flow from the assets have expired or the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flow in full to a third party under a pass through arrangement and either

a) The Company has transferred substantially all risks and rewards of the asset or

b) Has transferred control of the asset.

Impairment of financial assets

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

(a) Financial assets that are debt instruments, and are measured at amortized cost e.g. loans, debt securities, deposits, trade receivables and bank balances

(b) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables which includes current contract receivables and retention money receivables in these financial statements)

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

- Trade receivables or contract revenue receivables; and

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

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

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

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

- All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

- Cash flows from the sale of the collateral held or other credit enhancements that are integral to the contractual terms.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss. This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- **Financial assets measured at amortized cost - contract assets:** ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

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

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

Impairment of financial assets

Credit Risk exposure: -

The Company considered current and anticipated future economic conditions relating to industries the company deals with and the countries where it operates.

Expected Credit Loss: -

While calculating expected credit loss, the company has also considered credit reports and other related credit information for its customers to estimate the probability of default in future and has taken into account estimates of possible effect.

Financial liabilities

All financial liabilities are initially recognised at fair value. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdraft and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as fair value through Profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are

recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de recognition of the original liability and the recognition of the new liability. The difference in the respective carrying amounts is recognized in the Statement of profit or loss.

h. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

i. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares or stock options are recognized as a deduction from equity, net of any related income tax effects.

j. Income tax

Current income-tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, 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 recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, deferred tax assets are recognized 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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the 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 recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

Indirect taxes paid on acquisition of assets or on incurring expenses

Expenses and assets are recognized net of the amount of indirect taxes paid, except:

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

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

k. Borrowing costs

Borrowing costs include interest and amortization of ancillary costs in connection with the arrangement of borrowings. Borrowing costs attributable to the acquisition, construction of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

l. Leases

Company as a lessee

The Company lease asset classes primarily consist of leases for land, buildings and office equipment's. The Company assesses

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whether a contract contains a lease, at in caption of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at value of the future lease payments.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

m. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent period, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

An assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in priors. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

n. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Provision for onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

o. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

Past service costs are recognized 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 recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/losses are immediately taken to the Statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Liability on account of the Company's obligation under the employees' superannuation fund, a defined contribution plan, is charged to the statement of profit and loss on the basis of the plan's liability to contribute.

Liability on account of the Company's obligation under the employee's leave travel assistance is charged to the Statement of profit and loss at the undiscounted amount of such liability.

Liabilities on account of the Company's obligations under statutory regulations, agreement with trade unions and employees' short-term incentive plan, as applicable, are charged to the Statement of profit and loss at the undiscounted amount of each liability.

p. Segment Reporting

Identification of segments

The entire operation is governed by the same set of risk and returns and hence considered as representing a single primary segment and not analysed separately. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate.

Segment accounting policies

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

q. Contingent liability

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

r. Earnings Per Share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares (which includes the various stock options granted to employees). The diluted potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (that is the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the authorization for issue of the financial statements by the Board of Directors.

s. Dividends

Dividend to equity shareholders is recognized as a liability in the period in which the dividends are approved by the equity shareholders. Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognized as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of directors.

3. Significant accounting judgments, 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 revenue, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Judgements

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

i) Revenue from contracts with customers

A significant portion of the Company's business relates to construction of assets which are accounted using cost-based input method, recognizing revenue as the performance on the contract progresses. This requires Management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Company has right to payment for performance completed till date, either contractually or legally. The input method requires Management to make significant judgments of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

ii) Contingencies relating to tax and legal matters

The Company has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable losses including the estimate of legal expense to resolve

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

such matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

iii) Segment reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Chief Executive Officer to assess performance and allocate resources. The Company is operating in a single business segment, viz Energy.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions 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.

i. Constructions contracts:

- **Provisions for liquidated damages claims (LDs):** The Company provides for LD claims to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. This requires an estimate of the amount of LDs payable under a claim which involves a number of management judgments and assumptions regarding the amounts to recognize.

- **Project cost to complete estimates:** At each reporting date, the Company is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, unbilled revenue and estimated earnings and accrued contract expenses.

- **Recognition of contract variations:** The Company recognizes revenues and margins from contract variations where it is considered probable that they will be awarded by the customer and this requires management to assess the likelihood of such an award being made by reference to customer communications and other forms of documentary evidence

ii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset of cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flow are derived from the budget for the next five years as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested are recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the terminal growth rate used.

iii. Defined benefit plans - gratuity

TThe cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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 and mortality rates. 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 for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in Note 21.

iv. Termination benefits:

Termination benefits are payable when employment is terminated by the Company before the normal retirement date, or when an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits at the earlier of the following dates:

(a) when the Company can no longer withdraw the offer of these benefits; and

(b) when the entity recognizes cost for a restructuring that is within the scope of Ind AS 37 and involves payment of termination benefits.

In the case of an offer made to encourage voluntary redundancy, the termination benefits are measured based on the number of employees expected to accept the offer. Benefits falling due more than 12 months after the end of the reporting period are discounted to present value.

v. Fair value measurement of unquoted financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 23 for further disclosures.

vi. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, the Company uses a provision matrix to determine ECL impairment allowance on portfolio of its trade

receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates a default rate of total revenue for trade receivables and contract revenue for contract assets. The Company follows provisioning norms based on ageing of receivables to estimate the impairment allowance under ECL. For retention receivables, the Company additionally categorizes the receivables due from Public Sector Undertakings (PSUs) and Non-PSUs and follows a wider aged bucket provisioning norm as the performance guarantee tests require certain time period after the supplies are completed. Refer note 3 for details of impairment allowance recognized at the reporting date.

vii. Deferred taxes

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted. Refer Note 5(b)for details of deferred taxes.

3.3 Standards issued but not effective:

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has not notified any new standards or amendments to the existing standards applicable to the Company.

3 Trade receivables

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Receivables from related parties (refer note 22)	204.01	97.99
Others	55.67	64.30
Total receivables	**259.68**	**162.29**
Break-up of security details		
Unsecured, considered good	259.68	162.29
	259.68	**162.29**
Less: Impairment allowance*	(55.62)	(47.56)
Total	**204.06**	**114.73**

No trade or other receivable are due from directors or other officers of the Company either severally or jointly with any other person. None of the trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. Trade receivables are non-interest bearing and are generally on terms of 30 to 90 days.

*Includes provision amounting to Rs.Nil (March 31, 2024 : Rs.Nil) for Trade receivables which have a significant increase in credit risk.

For terms and conditions relating to related party receivables, refer note 22.

The aging of current trade receivables which are due for receipt :

	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables as at March 31, 2025							
(i) Undisputed - considered good	-	98.77	105.02	-	-	55.90	**259.68**
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed - credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed - considered good	-	-	-	-	-	-	**-**
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed - credit impaired	-	-	-	-	-	-	**-**
Less: Impairement Allowance	-	-	-	-	-	-	**55.62**
Total	**-**	**98.77**	**105.02**	**-**	**-**	**55.90**	**204.06**

	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables as at March 31, 2024							
(i) Undisputed - considered good	-	95.98	1.56	0.28	41.23	23.24	**162.29**
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed - credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed - considered good	-	-	-	-	-	-	**-**
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	-	**-**
(vi) Disputed - credit impaired	-	-	-	-	-	-	**-**
Less: Impairement Allowance	-	-	-	-	-	-	**47.56**
Total	**-**	**95.98**	**1.56**	**0.28**	**41.23**	**23.24**	**114.73**

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

4(a) The following table summarises the change in provision for impairment allowance measured using the life time expected credit loss model:

	Provision for trade receivables	
	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	47.56	136.78
Provision made during the year	8.06	-
Utilized/reversed during the year	-	89.22
At the end of the year	**55.62**	**47.56**

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

4 Other financial assets

(a) Other non current financial assets

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Bank deposits with maturity of more than 12 months	97.44	-
Total	**97.44**	**-**

(b) Other current financial assets

	As at March 31, 2025	As at March 31, 2024
Bank deposits with maturity of less than 12 months	50.00	-
Total	**50.00**	**-**

5 (a) Income Taxes

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

Statement of profit and loss

	As at March 31, 2025	As at March 31, 2024
Current income tax charge		
Current income tax	-	-
Adjustments in respect of current income tax of previous year	-	-
Deferred tax		
Relating to origination and reversal of temporary differences	-	-
Income tax expense reported in the Statement of profit and loss	**-**	**-**

Other comprehensive income

	As at March 31, 2025	As at March 31, 2024
Deferred tax related to items recognised in OCI during the year	-	-
Net gain or loss on remeasurements of defined benefit plans	-	-
Income tax charged/(credited) to OCI	**-**	**-**

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024

	As at March 31, 2025	As at March 31, 2024
Accounting profit before tax	(18.42)	94.32
At India's statutory income tax rate of 25.17% (March 31, 2024 : 25.17%)	(4.64)	23.74
Effects of non-deductible business expenses	2.03	(22.45)
Donation	2.31	2.92
Other differences - Difference between book base and tax base for various items	0.30	(4.21)
At the effective tax rate of Nil % (March 31, 2024: Nil%)	**(0.00)**	**(0.00)**
Income tax expense reported in the statement of profit or loss	**-**	**-**

5 (b) Deferred tax

Details of deferred tax assets which has not been recognised in book of accounts :

	As at March 31, 2025	As at March 31, 2024
Deferred tax asset on		
Statutory dues deductible on payment under section 43B of Income-tax Act, 1961	5.23	5.76
Provision for doubtful debts, liquidated damages and other provisions	14.00	11.97
Difference in written down values of PPE	25.73	29.21
Total	**44.96**	**46.94**

As per Ind As 12, the entity recognises deferred tax assets only when it is probabale that the taxable profits will be available against which the deducible temporary difference can be utilised. However in the current scenario, as the company does not expect to have sufficient future taxable profits, deferred tax asset has not been recognised in book of accounts.

	As at March 31, 2025	As at March 31, 2024
Opening balance	-	
Tax (expense)/ income during the period recognised in profit or loss	-	-
Tax (expense)/ income during the period recognised in OCI	-	-
Closing balance	**-**	**-**

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities.

6 Other assets

(a) Other non current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured considered good		
Balances with government authorities	606.09	623.85
Total	**606.09**	**623.85**

(b) Other current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured considered good		
Advances to suppliers	-	-
Advances to staff and workers	17.74	46.11
Prepaid employee benefits (note 21)	14.33	12.79
Total	**32.07**	**58.90**

There were no advances due by directors or other officers of the Company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

THERMAX ENGINEERING CONSTRUCTION COMPANY LIMITED

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

7 (a) Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Cash and cash equivalents		
Balances with banks		
- on current accounts	49.90	10.79
- in deposits with original maturity of less than three months	250.00	-
Total	**299.90**	**10.79**

7 (b) Other bank balances

	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity :		
more than three months but less than twelve months*	175.20	682.36
Interest aacrues on fixed deposit	3.29	10.79
Total	**178.49**	**693.15**

*Fixed deposit amount of Rs. 175.20 has been marked as lien in ICICI Bank.

8A Share capital

	As at March 31, 2025	As at March 31, 2024
Authorized shares (Nos)		
10,000,000 (March 31, 2024: 10,000,000) equity shares of Rs. 10/- each	1,000.00	1,000.00
	1,000.00	**1,000.00**
Issued, subscribed and fully paid share capital (Nos)		
4,500,000 (March 31, 2024: 4,500,000) equity shares of Rs. 10/- each	450.00	450.00
Total issued, subscribed and fully paid-up share capital	**450.00**	**450.00**

(a) Reconciliation of the shares outstanding at the beginning and at the end of year.

	No. of Shares
Equity share of Rs. 10 each issued, subscribed and fully paid	
As at April 1, 2023	4,500,000
Changes during the period	-
As at March 31, 2024	4,500,000
Changes during the period	-
As at March 31, 2025	**4,500,000**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by holding company

	As at March 31, 2025	As at March 31, 2024
Thermax Limited		
4,500,000 (March 31, 2024: 4,500,000) equity shares of Rs. 10/- each fully paid	450.00	450.00

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	Thermax limited
As at March 31, 2025	
%	100.00
No. of shares	4,500,000
As at March 31, 2024	
%	100.00
No. of shares	4,500,000

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

(e) Details of shares held by promoters

	As at March 31, 2025	As at March 31, 2024
Thermax Limited		
%	100.00	100.00
No. of Shares	4,500,000	4,500,000
% of change during the year	-	-

8B Other equity

	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
General reserve	525.21	525.21
Retained earnings		
Opening balance	555.98	461.07
Add: (Loss)/Profit for the year	(18.42)	94.32
Items of other comprehensive income recognised directly in retained earnings:		
Re-measurement gains/ (losses) on defined benefit plans, net of tax	(13.31)	0.59
Net surplus in the statement of profit and loss	**524.25**	**555.98**
Total	**1,049.46**	**1,081.19**

Nature and purpose of reserves

General reserve

These are in nature of those retained earnings which are kept aside out of Company's profits. These are free reserves available for distribution of dividend.

9 Investment in Subsidiary

	Face value	As at March 31, 2025	As at March 31, 2024
Investments in equity instruments at cost (Fully paid)			
Thermax Engineering Construction Company, FZE			
Number of Shares: 1000 shares	USD 1	0.76	0.76
Total value of Investment		**0.76**	**0.76**

The Company has formed a subsidiary in Nigeria for the management and supervision of the installation, commissioning and testing of boilers and heaters, in respect of the petroleum refinery and polypropylene plant for Dangote group, being constructed in Lekki Free Trade Zone, Nigeria (LFTZ).

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

10 Trade payables

	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Total outstanding dues of micro enterprises and small enterprises	1.60	1.60
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related Parties (refer note 22)	7.91	-
(i) Others	28.71	35.95
Total	**38.22**	**37.55**

Trade payables are non-interest bearing and are normally settled between 3 to 12 Months.

Details of dues to micro and small enterprises as defined under The Micro, Small and Medium Enterprises Development (MSMED) Act 2006

	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal amount outstanding (whether due or not) to micro and small enterprises	1.60	1.60
-Interest due thereon	-	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
Trade payables as at March 31, 2025							
(i) MSME	-	-	-	-	-	1.60	1.60
(ii) Others	9.00	-	10.58	-	-	17.05	36.63
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iii) Disputed dues- Others	-	-	-	-	-	-	-
Total	**9.00**	**-**	**10.58**	**-**	**-**	**18.64**	**38.22**

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
Trade payables as at March 31, 2024							
(i) MSME	-	-	-	-	-	1.60	1.60
(ii) Others	9.03	-	0.32	-	-	26.60	35.95
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iii) Disputed dues- Others	-	-	-	-	-	-	-
Total	**9.03**	**-**	**0.32**	**-**	**-**	**28.20**	**37.55**

11 Other current financial liabilities

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Employee related payables	1.11	3.44
Total	**1.11**	**3.44**

12 Provisions

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for leave encashment	6.28	7.95
Total	**6.28**	**7.95**

13 Other current liabilities

	As at March 31, 2025	As at March 31, 2024
Statutory dues and other liabilities*	1.95	2.72
Total	**1.95**	**2.72**

* mainly includes tax deducted at source, provident fund, ESIC, etc.

14 Other Income

	Year Ended March 31, 2025	Year Ended March 31, 2024
Dividend income from equity investments designated at fair value through profit and loss	-	-
Liabilities no longer required written back	2.64	13.25
Exchange fluctuation gain (net)	0.52	0.06
Interest income	42.51	88.71
Miscellaneous income	11.86	30.52
Total	**57.53**	**132.54**

15 Employee benefits expense

	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries, wages and bonus	11.97	9.87
Contribution to provident and other funds	5.44	4.49
Gratuity expense (refer note 21)	(10.42)	(8.23)
Staff welfare expenses	0.76	1.39
Total	**7.75**	**7.52**

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

16 Other expenses

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Rent (refer note 20B)	0.95	1.04
Site expenses and contract labour charges	2.29	2.37
Erection & commissioning expenses	-	1.58
Rates and taxes	15.10	5.74
Insurance	-	(0.01)
Travelling and conveyance	0.23	0.63
Legal and professional fees	8.49	4.44
Audit fees (refer note 18(b))	2.00	2.25
Bad debts/ advances written off	16.39	85.46
Provision for impairment allowance of financial assets (net)	8.06	(89.22)
CSR expenditure (refer note 17(a))	9.19	11.62
Bank guarantee charges (including bank charges)	5.34	2.69
Miscellaneous expenses (includes printing, communication, postage, security expense, etc.)	0.16	2.11
Total	**68.20**	**30.70**

17 (a) Corporate social responsibility (CSR)

	Year Ended March 31, 2025	Year Ended March 31, 2024
Gross amount required to be spent by the Company during the year	9.19	11.62
Total	**9.19**	**11.62**

Amount spent during the year

	In Cash	Yet to be spent in cash	Total
During the year ended March 31, 2025			
a. Construction/ acquisition of any asset	-	-	-
b. On purposes other than (a) above *	9.19	-	9.19
	9.19	**-**	**9.19**
During the year ended March 31, 2024			
a. Construction/ acquisition of any asset	-	-	-
b. On purposes other than (a) above *	11.62	-	11.62
	11.62	**-**	**11.62**

*The amount of Rs. 9.19 (March 31, 2024 :Rs. 11.64) is contributed to Thermax Foundation, India (also refer note no 22 Related party transactions), which is engaged in education of economically underprivileged children by addressing social discrimination through affirmative actions, skill development and employability initiatives.

There is no shortfall in contribution as at March 31, 2025.

18 (b) Payment to auditors

	Year Ended March 31, 2025	Year Ended March 31, 2024
As auditor		
Audit	2.00	2.00
In other capacity		
Other services	-	0.25
Total	**2.00**	**2.25**

19 Earnings per share

	Year Ended March 31, 2025	Year Ended March 31, 2024
Net profit attributable to the equity shareholders of the Company	(18.42)	94.32
Weighted average number of equity shares of Rs.10/- each	45.00	45.00
Basic & Diluted Earnings per share (In Rupees)	(0.41)	2.10

20 Contingent Liabilities and commitments

A Contingent liabilities

i) Disputed demands in respect of Excise, Customs Duty and Service tax Rs. Nil (March 31, 2024 Rs 50.12)

ii) Disputed demands in respect of Sales tax(VAT Chhatisgarh) Rs. Nil (March 31, 2024 Rs 1.20)

iii) Disputed demands in respect of GST 48.69 (March 31, 2024 Rs 51.55)

iv) The Company has issued various guarantees for performance, deposits, tender money, advances,etc to customers. The management has considered the probability for outflow of the same to be remote and accordingly no amount has been disclosed here.

B Capital and other commitment

a) On the basis of credit comfort of the Company, ICICI bank has issued bank guarantees of USD 153,489.96 (March 31, 2024 USD 324,092.12) in favour of customers of TEC FZE.

b) **Operating lease : Company as lessee**

The Company has taken certain office premises on cancellable operating lease. The tenure of such leases is for a period of one year or less. Lease rentals are charged to the Statement of Profit and Loss for the year. There are no sub-leases. The leases are renewable on mutually agreeable terms. At the expiry of the lease term, the Company has an option to terminate the agreement or extend the term by giving notice in writing. Since the contracts are short term leases, the entity has elected to apply the exemption available to short term leases under Ind AS 116 and has recognised the lease payments associated with these leases as an expense.

Future minimum lease rental payables under non-cancellable operating leases are as follows:

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Lease payments for the year	0.95	1.04

21 A. Gratuity

The Company operates a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed specified years of service gets a gratuity on departure @ 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance Company in the form of qualifying insurance policy. The fund has formed a trust and it is governed by the Board of Trustees.

The fund is subject to risks such as asset volatility, changes in asset yields and asset liability mismatch risk. In managing the plan assets, Board of Trustees reviews and manages these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes asset-liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk-averse markets). The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

I Changes in the net benefit obligation and fair value of plan assets are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023	**16.91**	**25.43**	**(8.53)**
Current service cost	1.68		1.68
Interest expense/(income)	1.37	10.02	(8.65)
Total amount recognised in Statement of Profit and Loss	**3.05**	**10.02**	**(6.97)**
Actuarial loss from change in financial assumptions	1.86	2.45	(0.59)
Amount not recognised due to asset ceiling			-
Total amount recognised in Other comprehensive income	**1.86**	**2.45**	**(0.59)**
Employer contributions	-		-
Benefits paid	(2.26)		(2.26)
Employer contributions	5.56		5.56
March 31, 2024	**25.12**	**37.91**	**(12.79)**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	**25.12**	**37.91**	**(12.79)**
Current service cost	2.48		2.48
Interest expense/(income)	1.68	10.75	(9.07)
Total amount recognised in Statement of Profit and Loss	**4.16**	**10.75**	**(6.59)**
Actuarial loss from change in financial assumptions	1.78	(3.83)	5.61
Amount not recognised due to asset ceiling		(7.70)	7.70
Total amount recognised in Other comprehensive income	**1.78**	**(11.53)**	**13.31**
Transfer In/(Out)	(4.13)	4.13	(8.26)
March 31, 2025	**26.93**	**41.26**	**(14.33)**

II The net liability disclosed above relates to funded plans are as follows :

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Present value of funded obligation	26.93	25.12
Fair value of plan assets	41.26	37.91
Plan (assets)	**(14.33)**	**(12.79)**

III Significant estimates

The significant actuarial assumptions were as follows :

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Discount rate	6.60%	7.20%
Salary growth rate	7.00%	7.00%
Expected return on plan assets	7.20%	7.40%
Normal retirement age	60 years	60 years
Mortality table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Employee turnover	12%	12%

IV Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	March 31, 2025	March 31, 2024
Discount rate		
1.00% increase	Decrease by 0.97	Decrease by 1.1
1.00% decrease	Increase by 1.06	Increase by 1.01
Future salary increase		
1.00% increase	Increase by 0.78	Increase by 0.85
1.00% decrease	Decrease by 0.73	Decrease by 0.79
Attrition Rate		
1.00% increase	Decrease by 0.02	Increase by 0.00
1.00% decrease	Increase by 0.02	Decrease by 0.01

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Within next 12 months	3.40	2.90
Between 2-5 years	22.81	23.52
Between 5-10 years	9.21	9.78

The average duration of the defined benefit plan obligation at the end of the reporting period is 5.79 years (March 31, 2024 : 6.45 Years)

V The major categories of plan assets are as follows:

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Investments with Insurer (LIC of India)	100.00%	100.00%

22. Related party disclosures

Names of related parties and related party relationship:

Related parties where control exists

Holding company	Thermax Limited, India
Ultimate holding company	RDA Holdings Private Limited, India
Subsidiary company	Thermax Engineering Construction FZE, Nigeria (TEC FZE)

Related parties with whom transactions have taken place during the year

A. Fellow Subsidiaries in India

Thermax Babcock & Wilcox Energy Solutions Limited

B. Enterprise, over which control is exercised by directors of the Holding Company.

Thermax Foundation

C. Key management Personnel:

Mr. Pravin Karve - Director

Mr. Ravinder Advani - Director(Resigned on April 24,2024)

Mr. Bhavesh Chheda - Director (Resigned on Mar 31, 2025)

Mr. Sandeep Deshpande- Director (Appointed on Mar 20, 2025)

Mr. Shekhar Kashalikar - Director (Resigned on 30th Sep, 2023)

Mr. Rajesh Bukinkere- Director (Appointed on February 01, 2024)

D Individuals having significant influence over the Company by reason of voting power and their relatives :

Mrs. Meher Pudumjee - Chairperson of Holding Company

Mrs. Anu Aga - Relative of Chairperson of Holding Company

Mr. Pheroz Pudumjee - Director of Holding Company

Mr. Zahaan Pudumjee - Relative of Chairperson of Holding Company

E Transactions with related parties:

	Holding Company		Entities Controlled by Holding company		Subsidiary Company		Independent Director		Total	
	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024
Transactions during the year										
Sales of products and services	-	-	-	-	-	-	-	-	-	-
Sale of fixed assets	-	-	-	-	-	-	-	-	-	-
Recovery of expenses	-	-	43.65	35.98	247.50	275.90	-	-	**291.15**	**311.88**
Reimbursement of expenses	-	-	-	12.31	-	-	-	-	-	**12.31**
Reimbursement of remuneration for key management personnel	-	-	-	-	-	-	-	-	-	-
Corporate social responsibility	-	-	9.19	11.62	-	-	-	-	**9.19**	**11.62**
Commission paid	7.00	0.55	-	-	-	-	-	-	**7.00**	**0.55**
Corporate cost allocation	-	-	-	-	-	-	-	-	-	-
Dividend received	-	-	-	-	-	-	-	-	-	-
Dividend paid	-	-	-	-	-	-	-	-	-	-

F Balances with related parties:

	Holding Company		Entities Controlled by Holding company		Subsidiary Company		Total	
	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024	Year Ended March 31, 2025	Year Ended March 31, 2024
b. Balances as at the year end								
Trade receivables	-	-	5.18	28.55	198.83	69.44	**204.01**	**97.99**
Trade payables and other liabilities	7.91	-	-	-	-	-	**7.91**	**-**

G Commitments

On the basis of credit comfort of the Company, ICICI bank has issued bank guarantees of USD 153,489.96 (March 31, 2024 USD 324,092.12) in favour of customers of TEC FZE.

H Terms and conditions for outstanding balances

All outstanding balances are unsecured and repayable in cash.

I Terms and conditions of related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

There have been no guarantees provided or received for any related party receivables or payables (except as disclosed above). For the year ended March 31, 2025, the Group has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024 : Rs Nil). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

23 Fair value measurements

a) Category of financial instruments and valuation techniques

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables (refer note 3)	204.06	114.73
Other financial assets (refer note 4)	147.44	-
Cash and cash equivalents (refer note 7(a))	299.90	10.79
Bank balances other than cash and cash equivalents (refer note 7(b))	178.49	693.15
Total	**829.89**	**818.67**
Current assets	732.45	818.67
Non-current assets (refer note 6(a))	97.44	-
Total	**829.89**	**818.67**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payable (refer note 10)	38.22	37.55
Employee related payables (refer note 11)	1.11	3.44
Total	**39.33**	**40.99**
Current liabilities	39.33	40.99
Total	**39.33**	**40.99**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

24 Financial risk management

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that it derives directly from its operations.

The Company is exposed to credit risk and liquidity risk. The company follows guidance given by the Corporate Risk Management Policy of the group. The risks are summarized below:

I 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 financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters.

An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on historical data of losses. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 4. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and bank deposits

Credit risk from balances with banks and financial institutions is managed by the group treasury department in accordance with the Thermax group policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

II Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at operating segments level in the Company in accordance with practice and limits set by the Company. In addition, the company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

(i) Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2025	< 1 year	1 to 3 years	> 3 years
Non- derivative			
Trade Payables	38.22	-	-
Other financial liabilities			
Employee related payables	1.11	-	-
March 31, 2024	**< 1 year**	**1 to 3 years**	**> 3 years**
Non- derivative			
Trade Payables	37.55	-	-
Other financial liabilities			
Employee related payables	3.44	-	-

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

25 Key Financial Ratios

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Change	Reason for Variance
Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	-1.22%	6.36%	119.12%	Decrease in income resulted in decrease in ratio
Debtors turnover ratio	Net credit sales = Gross credit sales - sales return	Average Trade Receivable	0.00	0.00	0.00%	
Net working capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.00	0.00	0.00%	
Net Profit ratio	Net Profit	Net sales = Total sales - sales return	0.00%	0.00%	0.00%	
Return on capital employed	Earnings before interest and taxes	Capital Employed = Net Worth	-1.23%	6.16%	-119.94%	Decrease in income resulted in decrease in ratio
Return on investment	Interest (Finance Income)	Average Investment	6.74%	5.65%	19.16%	Increase in Investements and better rate of interest resulted in higher return
Current Ratio	Current Assets	Current Liabilities	16.07	16.99	-5.37%	Reduction in Cash & Cash equivalent balances resulted in decrease in ratio
Trade payables turnover ratio	Net credit purchases = Gross credit purchases - purchase return	Average Trade Payables	1.17	0.91	28.48%	Reduction in AP balances resulted in increase in ratio
Debt-Equity Ratio	Total Debt	Shareholder's Equity	N.A.	N.A.	0.00%	
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest + short term borrowings	N.A.	N.A.	0.00%	
Inventory turnover ratio	Cost of goods sold	Average Inventory	N.A.	N.A.	0.00%	

26 Struck off companies

There is no transactions and balances with struk off companies for year ended March 31, 2025 & March 31, 2024.

27 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long- term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the years ended March 31, 2025 and March 31, 2024. Capital represents equity attributable to equity holders of the Parent Company.

	As at March 31, 2025	As at March 31, 2024
Trade payables	38.22	37.55
Less: Cash and cash equivalents	(299.90)	(10.79)
Equity	**1,499.46**	**1,531.19**
Capital and net debt	**1,499.46**	**1,531.19**

28 During the year, the Company has stopped accepting new orders as the management is in discussion with the holding company to evaluate future business opportunities and prospects.As at the reporting date, the Company has sufficient cash balances to meet its obligation and honour the commitments. Management is confident of recovering asset balances (including balances with government authorities) with the alternative plans available and hence, financial statements have been prepared on a going concern basis.

29 As the consolidated financial statements are presented by the entity's holding Company, the entity has elected to apply the exemption available to it under Ind AS 110 and has opted to present only one set of standalone financial statements.

30 (a) Compliance with section 143(3) for maintenance of books of account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The status of compliance is summarised in the below table:

Requirements u/s 143(3) of Companies Act, 2013	Response
Books of Account maintained on cloud / servers physically located in India	Yes
Backup maintained in India on daily basis	
Intimation sent to the ROC for the current year	NA

30 (b) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to data for users with certain privileged access rights to the Infor Baan application. Further no instance of audit trail feature being tampered with was noted in respect of other software. Additionally, the audit trail has been preserved as per the statutory requirements for record retention.

31 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period,

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

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

(iv) (A) The Company has not advanced or loaned or invested funds to any other person or entity, 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.

(v) 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 Company 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,

(vi) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(vii) There is no Scheme of Arrangement approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

(viii) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(ix) The Company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

For B. K. Khare and Company
Chartered Accountants
ICAI Firm Reg No.105102W

Amit Mahadik
Partner
Membership No:125657

Date: April, 30 2025
Place: Pune

For and on behalf of the Board of Directors of
Thermax Engineering Construction Company Limited

Rajesh Bukinkere
Director
DIN: 10486449

Sandeep Deshpande
Director
DIN: 09748806

Date: April, 30 2025
Place: Pune

Thermax Instrumentation Limited

Board of Directors
Rajendran Arunachalam
Kirtiraj Jilkar
Ravinder Advani (upto April 24, 2024)
Sandeep Deshpande (w.e.f April 18, 2024)

Registered Office
Thermax House,
14, Mumbai – Pune Road, Wakdewadi,
Pune – 411003

Auditors
SRBC & Co. LLP
Chartered Accountants
C-401, Panchshil Tech Park, Yerwada,
Pune-411006, India

Key Managerial Personnel
Ramachandra Bharathi
(ceased w.e.f. March 31, 2025)
Mr. Sunil Kumar Samuel Bojja (Manager)
(w.e.f. May 5, 2025)
Ajit Sharma (Chief Financial Officer)
(w.e.f. July 29, 2024)
Sudhir Lale (Company Secretary)

Corporate Office
Sai Chambers
15, Mumbai – Pune Road, Wakdewadi,
Pune - 411003

Branch offices
1. Unit 3, Ninth (9th) Floor Galleria Center
EDSA - II Carner Ortigas Avenue
Quezon City, Manila Philippines
2. C/o PKF Consulting Zambia Limited,
Plot 11, Sable Road, Kabulonga, Lusaka, Zambia.
3. SAIF Executive Office P08-04-31,
P.O. Box- 121291, Sharjah-U.A.E.

Bankers
HDFC Bank Limited
ICICI Bank
CitiBank NA

DIRECTORS' REPORT

Dear Shareholder,

The Directors present the Twenty Ninth Annual Report for the year ended March 31, 2025.

FINANCIAL RESULTS:

Your Company's performance during the financial year ended March 31, 2025 is summarized below:

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total Income	**6,293.68**	12,540.75
Profit before Depreciation	**1,792.40**	1,673.83
Depreciation	**17.20**	22.27
Profit before Tax	**1,775.20**	1,651.56
Provision for Taxation including Deferred Tax	**811.19**	500.77
Profit after tax	**964.01**	1,150.79

State of Company's Affairs and future outlook

The Company is a wholly owned subsidiary of Thermax Limited.

Your Company is engaged in rendering erection, commissioning, civil works and operation and maintenance services for turnkey contracts for power plants. The Company has established foreign branches at Manila (Philippines), Lusaka (Zambia) and Sharjah (United Arab Emirates) which are in the business of rendering supervision, operation and maintenance services for power plants.

During the year, the Company earned a total income of Rs 6,293.68 lakh (previous year Rs 12,540.75 lakh). Profit before tax stood at Rs 1,775.20 lakh (previous year Rs. 1,651.56 lakh) and profit after tax is Rs. 964.01 lakh (previous year Rs. 1,150.79 lakh).

Profit before tax for the year is higher since margins have slightly improved. Further, the Company has received long pending Income Tax refund for earlier years, including interest which has resulted into income for the year. The order booking in the current year was Rs. 3,828.30 lakh (previous year Rs. 3,440.28 lakh).

Change in nature of business

During the financial year 2024-25, your Company has managed the affairs in a fair and transparent manner.

Dividend

The Board of Directors at its Meeting held on October 30, 2024 declared interim dividend of Rs. 27.78/- per equity share for the financial year 2024-25.

Amount Proposed to be carried to Reserves

The Company does not propose to carry any amount to reserves.

Share Capital

The paid-up equity share capital of the Company is Rs. 900 lakhs and the paid-up preference share capital is Rs. 1,700 lakhs. The total paid up share capital of the Company is Rs. 2,600 lakhs. During the year, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

Board Meetings

The Board met four times during the year. The intervening gap between two meetings was within the period prescribed under the Companies Act, 2013. Details of meetings attended by the Directors are as follows:

Name	Board Meetings			
	May 8, 2024	July 29, 2024	October 30, 2024	January 30, 2025
Mr. Rajendran Arunachalam	P	P	P	P
Mr. Kirtiraj Jilkar	A	A	P	P
Mr. Sandeep Deshpande	P	P	P	P

P- Present, A- Absent

Particulars of Loans, Guarantees or Investments

During the year under review the Company did not give any loan or made any investment pursuant to the provisions of Section 186 and Section 134(3) (g) of the Companies Act, 2013.

Related Party Transactions

All related party transactions (RPTs) that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of Related Party Transactions in AOC-2 are not attracted.

During the year, all RPTs were placed before the Board for its perusal and approval. A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

Explanation(s) / Comment(s) to Qualifications, Reservations, Adverse Remarks & Disclaimers made by the Auditors

There are no qualifications, reservations, adverse remarks and disclaimers made by the Auditors in their report on Financial Statements for the financial year ended March 31, 2025.

Material changes affecting financial position of the Company

There were no material changes and commitments that have occurred after the close of the year till the date of this report, which affects the financial position of the Company.

Conservation of Energy

The Company is very careful in using the power to reduce cost of maintenance and conserve resources. The Company makes an effort to use power from grid at its sites instead of DG sets.

Technological Absorption

There was no technology acquisition and absorption during the year under review.

Foreign Exchange Earnings and Outgo

Information pertaining to foreign exchange earnings and outgo, under Section 134 (3) (m) of the Companies Act, 2013 is as follows:

	(Rs. In lakh)
Foreign currency earnings	3,222.16
Foreign currency outgo	2,364.91

Subsidiary / Associate / Joint Venture Company

Your Company does not have any Subsidiary / Associate / Joint Venture Company and there was no change in the position during the financial year 2024-25.

Business Risk Management

The Company has a process of evaluating risks. It keeps track of risk portfolio, and every quarter tracks the changes of any risk and prepares its mitigation plan. The Board is informed about the changes in economic and environmental factors and its impact on strategic business decision and risk portfolio. After detailed review of risk and mitigation measures, the management has confirmed that there is no risk as on date which threatens the existence of the Company. It will continue to actively monitor and strengthen its risk management framework.

Health & Safety

The Company has continued to focus on safety at sites and has achieved most of the safety "Key Performance Indicators."

The Company's performance in this area has been recognized by many of its customers including awards from two leading cement manufacturers for best safety performance.

Key Managerial Personnel (KMP)

During the year, Mr. Ramachandra Bharathi completed his tenure as the Manager and Key Managerial Personnel of your Company on July 26, 2024 and was re-appointed as the Manager and Key Managerial Personnel of your Company for a period of one year effective from July 29, 2024. Further, he resigned as the Manager and Key Managerial Personnel of the Company with effect from close of business hours of March 31, 2025.

The Board at its meeting held on July 29, 2024, appointed Mr. Ajit Sharma as the Chief Financial Officer and Key Managerial Personnel of your Company.

The Board at its meeting held on May 5, 2025 approved appointment of Mr. Sunil Kumar Samuel Bojja as the Manager and Key Managerial Personnel of the Company for a period of three years, subject to approval of the shareholders of the Company. The proposal for his appointment as the Manager forms part of the Notice convening 29th Annual General Meeting of the Company.

Directors

Currently, the Board of the Company comprises three Directors In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Rajendran Arunachalam (DIN: 08446343) retires by rotation, and being eligible, offers himself for re-appointment as director.

The Members of the Company at their 28th Annual General Meeting held on July 26, 2024 approved the appointment of Mr. Sandeep Deshpande (DIN: 09748806) as a Director of your Company. Further, Mr. Ravinder Advani (DIN: 01677195), resigned from the Board of your Company effective from April 24, 2024.

Significant and Material Orders passed by the Regulators or Courts

During the year, there are no significant material orders passed by the regulators / courts which can adversely impact the going concern status of the Company and its operations in future.

Adequacy of Internal Financial Controls

Internal controls are reviewed by the Internal Audit Department of the Holding Company on periodical basis. All significant and material observations emerging out of internal audit are regularly to the Board and follow-up measures are taken.

Public Deposits

During the financial year 2024-25 your Company has not accepted any deposits under Chapter V of the Companies Act, 2013. Consequently, it has no unpaid / unclaimed deposit(s) as on March 31, 2025.

Corporate Social Responsibility Initiatives

As a part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects mainly in the area of education. The projects are in accordance with Schedule VII of the Companies Act, 2013. Since 2007, CSR initiatives have been undertaken through Thermax Foundation. The detailed report on CSR is annexed as Annexure 1.

Board Evaluation

The Board has put in place a mechanism for evaluation of its own performances and individual Directors. The evaluation of the Board was conducted based on the evaluation parameters such as Board composition and structure, effectiveness of the Board, participation at meetings, domain knowledge, and awareness etc.

Disclosure on Establishment of a Vigil Mechanism

The Provision of section 177(9) of the Companies Act, 2013, with respect to establishment of vigil mechanism are not applicable to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

The Company has framed an Internal Complaint Committee (ICC), pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and rules made thereunder. Further a policy on Sexual Harassment of women at workplace has been circulated to all employees for a proper mechanism for redressal of complaints of sexual harassment.

The Company is committed to provide a safe and conducive work environment to its employees. There were no cases pending at the beginning of the year / filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

Fraud Reporting

During the Financial Year 2024-25, the Auditors have not reported any incident of fraud to the Board of Directors of the Company pursuant to provisions of Section 143(12) of the Companies Act, 2013.

Auditors

SRBC & CO. LLP Chartered Accountants (Firm Registration No.324982E/E300003) were appointed as the Statutory Auditors of the Company for a period of five years from the conclusion of the 24th Annual General Meeting (AGM) of the Company until the conclusion of the 29th AGM.

The Board at its meeting held on May 5, 2025 has recommended the appointment of M/s. Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration No. 012754N/N500016) as the Statutory Auditors of your Company for a term of 5 years from the conclusion of 29th Annual General Meeting until the conclusion of 34th Annual General Meeting for the approval of the shareholders at the ensuing 29th Annual General Meeting of the Company.

Thermax Instrumentation Limited

The auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

Maintenance of Cost Records

The provisions of section 148 of the Companies Act, 2013 read with the Companies (Cost Record & Audit) Rules, 2014 are not applicable to the Company, as the Company was not covered under the class of companies engaged in the production of goods and/or providing services as per Rule 3 of the Companies (Cost Records & Audit) Rules, 2014, during the Financial Year 2024-25.

Directors' Responsibility Statement

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

(b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the profit of the Company for the year ended on that date;

(c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The annual financial statements have been prepared on a going concern basis;

(e) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

Secretarial Standards

The Institute of Company Secretaries of India had revised the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) with effect from 1st April 2024. The Company is in compliance with the revised secretarial standards.

Annual Return

The Company does not have a website and hence in terms of provisions of Section 92 of the Companies Act, 2013 the requirement of publishing Annual Report is not applicable.

The Insolvency and Bankruptcy Code, 2016

During the Financial Year 2024-25, there was no application made and proceeding initiated / pending under the Insolvency and Bankruptcy Code, 2016 by any Financial and/or operational creditors against your Company.

Details of Difference between the Amounts of valuation at the time of one time settlement and the valuation done at the time of taking a loan from the banks or financial institutions along with the reasons thereof

During the year, there is no instance of onetime settlement with any Bank or Financial Institution.

Particulars of employees

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Acknowledgements

Your directors wish to place on record their appreciation for the continued support extended by the Company's customers, vendors and bankers during the year; and the dedicated contribution made by the employees and look forward to their continued support in the future as well.

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For and on behalf of the Board of Directors of
Thermax Instrumentation Limited

	Rajendran Arunachalam	**Kirtiraj Jilkar**
Place : Pune	Director	Director
Date: May 5, 2025	DIN: 08446343	DIN: 09675574

ANNEXURE - 1

ANNUAL REPORT ON CSR ACTIVITIES AND CSR POLICY

CSR REPORT FOR THE FINANCIAL YEAR 2024-25

1. Brief outline on CSR Policy of the Company

Thermax Instrumentation Limited is a wholly owned subsidiary of Thermax Limited, and a construction arm of the Holding Company. The Company is committed to contribute to the welfare of the community in which it is carrying out its business operations. Being a wholly owned subsidiary of Thermax Limited, it has been decided that the CSR policy of the Company will be aligned with the CSR policy of Thermax Limited and the CSR activities of the Company shall be conducted through Thermax Foundation (TF).

2. Composition of CSR Committee:

Pursuant to the Companies Amendment Act, 2020 and notification dated January 22, 2021, where the amount spent by a company on CSR does not exceed fifty lakh rupees the requirement for constitution of the CSR Committee should not be applicable. Therefore, since the CSR contribution made by the Company for the FY 2024-25 did not exceed Rs. 50 lakhs, requirement of CSR committee will be not applicable.

3. Provide the web link where the composition of the CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the Company — **https://www.thermaxglobal.com/corporate-governance-policies-and-disclosures//**

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. — **NA**

5. (a) Average net profit of the Company as per sub-section (5) of section 135: **Rs. 14,79,44,703**
   (b) Two per cent of average net profit of the Company as per section 135(5): **Rs. 29,58,900**
   (c) Surplus arising out of the CSR projects or programmes or activities of the previous financia years: **NA**
   (d) Amount required to be set off for the financial year, if any: **NA**
   (e) Total CSR obligation for the financial year (7a+7b- 7c): **Rs. 29,58,900**

6. (a) Amount spent on CSR Projects (both ongoing projects and other than ongoing projects): **Rs. 29,58,900**
   (b) Amount spent in Administrative Overheads: **NA**
   (c) Amount spent on impact assessment, if applicable: **NA**
   (d) Total amount spent for the financial year [(a)+(b)+(c)]: **Rs. 29,58,900**
   (e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year. (in Rs. Lakh)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount.	Date of transfer.	Name of the Fund	Amount.	Date of transfer
Rs. 29,58,900	Not Applicable				

(f) Excess amount for set-off, if any:

Sr. No.	Particulars	Amount (in Rs.)
1	2	3
(i)	Two per cent of the average net profit of the Company as per section 135(5)	29,58,900
(ii)	Total amount spent for the financial year	29,58,900
(iii)	Excess amount spent for the financial year [(ii)-(i)]	0.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in Rs.)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
Nil								

Thermax Instrumentation Limited

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **No.**

   If yes, enter the number of Capital assets created/ acquired: **NA**

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NA**

Sr. No.	Short particulars of the property or asset(s [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
(1)	(2)	(3)	(4)	(5)	(6)		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5): **N.A**

For and behalf of the Board of Directors of
Thermax Instrumentation Limited

Rajendran Arunachalam
Director
DIN: 08446343

Kirtiraj Jilkar
Director
DIN: 09675574

Place: Pune
Date: May 5, 2025

INDEPENDENT AUDITOR'S REPORT

To the Members of Thermax Instrumentation Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thermax Instrumentation Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information in which are included the returns for the year ended on that date audited by the branch auditors of the Company's branches located at Philippines (Manila) and United Arab Emirates (Sharjah).

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on financial statements and on the other financial information of the branches, the aforesaid financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Director's Report in the Annual 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 such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the branches to express an opinion on the financial statements. We are responsible for the direction, supervision and performance of the audit of the financial information of the components which have been audited by us. For the branches included in the

financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

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

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

Other Matter

We did not audit the financial statements and other financial information of 2 (two) branches included in the accompanying financial statements of the Company whose financial statements and other financial information reflect total assets of Rs. 810.10 lakhs as at March 31, 2025 and the total revenues of Rs. 2,290.15 lakhs and net cash inflows of Rs. 149.33 lakhs for the year ended on that date, as considered in the financial information of these branches have been audited by the branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of branches, is based solely on the report of such branch auditors. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, based on our audit and on the consideration of report of the branch auditors on financial statements and the other financial information of branches, as noted in the 'Other Matter' paragraph, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by Section 143(3) of the Act, we report to the extent applicable, that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and proper reporting's adequate for the purposes of our audit have been received from the branches not visited by us, except that, as more fully explained in Note 40(a), the books of account pertaining to the three foreign branches were not accessible at all times in India and the Company does not have server physically located in India for the daily backup of the books of account and other books and papers maintained in electronic mode pertaining to these three foreign branches and for the matters stated in the paragraph (j)(vi) below on reporting under Rule 11(g);

   (c) The reports on the accounts of the branch offices of the Company audited under Section 143(8) of the Act by branch auditors have been sent to us and have been properly dealt with by us in preparing this report;

   (d) The Balance Sheet, the Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account and with the returns received from the branches not visited by us;

   (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (f) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph (b) above on reporting under Section 143(3)(b) and paragraph (j)(vi) below on reporting under Rule 11(g);

   (h) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this Report;

   (i) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (j) 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 30 to the financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18(a) to the financial statements;

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

      iv. a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person or entity, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 or entity, 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; and

         c) Based on such audit procedures performed that have been 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 interim dividend declared and paid by the Company during the year is in accordance with section 123 of the Act; and

      vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year

for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain master data and direct changes to data when using certain access rights, as described in Note 40(b) to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting softwares where the audit trail has been enabled. Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 40(b) to the financial statements.

In case of foreign branches, the accounting software does not have the feature of audit trail (edit log) facility. Accordingly, we are unable to comment upon whether during the year there was any instance of audit trail feature being tampered with in respect of the accounting softwares. Additionally, the audit trail in respect of the year ended March 31, 2024, has not been preserved by the Company as per the statutory requirements for record retention, as stated in Note 40(b) to the financial statements.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYI2601
Place of Signature: Pune
Date: May 05, 2025

Thermax Instrumentation Limited

Annexure 1 referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date

Re: Thermax Instrumentation Limited ("the Company")

In the terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) Property, Plant and Equipment have been physically verified by the management during the year, except IT Assets which are verified once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.

(c) The title deeds of all the immovable properties other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee are held in the name of the Company

(d) The Company has not revalued its Property, Plant and Equipment during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company

(b) As disclosed in note 5(a) to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company do not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company

(vi) The Central Government has not specified the maintenance of cost records under Section 148(1) of the Act, for the services of the Company.

(vii) (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

The provisions relating to duty of customs and duty of excise are not applicable to the Company

(b) The dues of goods and services tax that have not been deposited on account of any dispute, are as follows:

Name of the Statute	Nature of the dues	Amount (Rs. In Lakhs) ^	Period to which the amount relates	Forum where the dispute is pending
Goods and Services Tax, 2017 (Chhattisgarh)	Goods and Services Tax	0.23 (Net of Deposit of 0.02 lakhs)	2017-18	Joint Commissioner of State Tax (Appeals), Raipur, Chattisgarh
Goods and Services Tax, 2017 (Maharashtra)	Goods and Services Tax	123.55 (Net of Deposit of 13.57 lakhs)	2018-19	Deputy Commissioner of State Tax, Pune
		29.80 (Net of Deposit of 3.31 lakhs)	2017-18	Joint Commissioner of State Tax (Appeals), Pune, Maharashtra
		10.27 (Net of Deposit of 1.14 lakhs)	2018-19	
		171.65 (Net of Deposit of 19.07 lakhs)	2019-20	
Goods and Services Tax, 2017 (Orissa)	Goods and Services Tax	20.88 (Net of Deposit of 2.32 lakhs)	2017-18	Additional Commissioner (Appeals), CGST, Central Excise & Customs, Bhubaneshwar

^ Excluding interest and penalty, if any thereon

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) The Company did not have any outstanding loans or borrowings or interest thereon due to any lender during the year. Accordingly, the requirement to report on clause ix(a) of the Order is 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 did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) (a) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(c) The Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The Company follows a July to June internal audit cycle and accordingly the internal audit reports of the Company for the period under audit and issued till the date of our audit report, have been considered by us. As informed to us, the internal audit for remaining areas/scope is expected to be completed post issue of our audit report on these financial statements.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) The Group has one Core Investment Company as part of the Group.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 36 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 27 to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 27 to the financial statements.

(xxi) The company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYI2601
Place of Signature: Pune
Date: May 05, 2025

Thermax Instrumentation Limited

Annexure 2 Referred to in Paragraph 2(h) under the heading "Report On Other Legal And Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls with reference to financial statements of Thermax Instrumentation Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements of the Company, in so far as it relates to two (2) branches, which are incorporated outside India, is based on the corresponding reports of the auditors of such branches.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYI2601
Place of Signature: Pune
Date: May 05, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Property, plant and equipment	4(a)	63.02	79.60
Intangible assets	4 (b)	-	-
Financial assets:			
(a) Other financial assets	11 (a)	1.14	1.14
Deferred tax assets (net)	6	319.00	477.63
Income tax assets (net)		1,421.80	2,333.35
Other assets	7 (a)	1,331.34	523.20
Total non-current assets		**3,136.30**	**3,414.92**
II. Current assets			
Financial assets:			
(a) Investments	8	2,226.98	1,223.00
(b) Trade receivables	5 (a)	1,533.13	2,845.72
(c) Cash and cash equivalent	9 (a)	479.05	453.02
(d) Bank balances other than (c) above	9 (b)	-	1,371.13
(e) Loans	10	-	0.93
(f) Other financial assets	11 (b)	116.70	1,169.62
Other assets	7 (b)	315.97	1,272.11
Total current assets		**4,671.83**	**8,335.53**
Total Assets		**7,808.13**	**11,750.45**
Equity and Liabilities			
I. Equity			
Equity share capital	12	900.00	900.00
Other equity	13	2,574.94	4,124.64
Total equity		**3,474.94**	**5,024.64**
II. Non-current liabilities			
Financial liabilities:			
(a) Borrowings	14	1,700.00	1,700.00
(b) Trade payables	15 (a)	-	367.43
Total non-current liabilities		**1,700.00**	**2,067.43**
III. Current liabilities			
Financial liabilities:			
(a) Trade payables	15 (b)		
- Total outstanding dues of micro enterprises and small enterprises		822.61	1,425.31
- Total outstanding dues of creditors other than micro enterprises and small enterprises		834.04	904.95
(b) Other financial liabilities	16	227.06	354.79
Other liabilities	17	591.04	1,852.54
Provisions	18 (a)	52.98	120.79
Income tax liabilities (net)		105.46	-
Total current liabilities		**2,633.19**	**4,658.38**
Total Equity and liabilities		**7,808.13**	**11,750.45**
Summary of material accounting policies	2		
Summary of significant accounting judgements, estimates and assumptions	3		

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

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	19	5,207.57	12,050.92
Other income	20	1,086.11	489.83
Total income (I)		**6,293.68**	**12,540.75**
Expenses			
Project bought-out and components	21	1.67	722.24
Employee benefits expenses	22	1,676.42	2,850.14
Finance costs	23	21.59	14.55
Depreciation and amortisation expense	24	17.20	22.27
Other expenses	25	2,801.60	7,279.99
Total expenses (II)		**4,518.48**	**10,889.19**
Profit before tax (III = I-II)		**1,775.20**	**1,651.56**
Tax expense	6		
Current tax		455.00	530.99
Adjustment of tax relating to earlier periods		193.68	47.55
Deferred tax		162.51	(77.77)
Total tax expense (IV)		**811.19**	**500.77**
Profit for the year (V = III-IV)		**964.01**	**1,150.79**
Other comprehensive income			
A. Items that will be reclassified subsequently to profit or loss	28		
Net loss on translation of foreign operations		(2.18)	(29.46)
(Less): Income tax effect		-	-
		(2.18)	(29.46)
B. Items that will not be reclassified subsequently to profit or loss	28		
Re-measurement loss of defined benefit plan		(15.41)	(15.10)
(Less): Income tax effect		3.88	3.79
		(11.53)	**(11.31)**
Net other comprehensive loss for the year (net of tax) (VI)		**(13.71)**	**(40.77)**
Total comprehensive income for the year (VII = V+VI)		**950.30**	**1,110.02**
Earning per equity share [Nominal value Rs. 10 each (March 31, 2024: Rs. 10)]	29		
Basic		10.71	12.79
Diluted		10.71	12.79
Summary of material accounting policies	2		
Summary of significant accounting judgements, estimates and assumptions	3		

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

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg No.324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership No. 135859

Place: Pune
Date: May 05, 2025

For and on behalf of the Board of Directors of Thermax Instrumentation Limited

Kirtiraj Jilkar
Director
DIN: 09675574

Rajendran Arunachalam
Director
DIN: 08446343

Ajit Sharma
Chief financial officer

Sudhir Lale
Company Secretary

Place: Pune
Date: May 05, 2025

Thermax Instrumentation Limited

Statement of changes in equity for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

A Equity Share Capital^

Particulars	Note	As at March 31, 2025		As at March 31, 2024	
		No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	12	9,000,000	900.00	9,000,000	900.00
Change in equity shares capital during the year	12	-	-	-	-
Balance at the end of the year	12	9,000,000	**900.00**	**9,000,000**	**900.00**

B Other equity^ [Refer note 13(a)]

Particulars	Reserves & Surplus				Items of OCI	Total Other Equity
	Capital reserve	Capital redemption reserve	Retained Earnings	Total	Foreign Currency Translation Reserve	
As at April 01, 2023	**400.81**	**1,000.00**	**2,037.28**	**3,438.09**	**38.13**	**3,476.22**
Profit for the year	-	-	1,150.79	1,150.79	-	1,150.79
Other comprehensive income/ (loss) for the year (net) (note 28)	-	-	(11.31)	(11.31)	(29.46)	(40.77)
Total comprehensive income for the year	**-**	**-**	**1,139.48**	**1,139.48**	**(29.46)**	**1,110.02**
Transaction cost for increase in share capital	-	-	(11.60)	(11.60)	-	(11.60)
Dividends paid [note 13(b)]	-	-	(450.00)	(450.00)	-	(450.00)
As at March 31, 2024	**400.81**	**1,000.00**	**2,715.16**	**4,115.97**	**8.67**	**4,124.64**
Profit for the year	-	-	964.01	964.01	-	964.01
Other comprehensive income/ (loss) for the year (net) (note 28)	-	-	(11.53)	(11.53)	(2.18)	(13.71)
Total comprehensive income for the year	**-**	**-**	**952.48**	**952.48**	**(2.18)**	**950.30**
Dividends paid [note 13(b)]	-	-	(2,500.00)	(2,500.00)	-	(2,500.00)
As at March 31, 2025	**400.81**	**1,000.00**	**1,167.64**	**2,568.45**	**6.49**	**2,574.94**

^ There are no adjustments on account of prior period errors or due to changes in accounting policies.

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

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg No.324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership No. 135859

Place: Pune
Date: May 05, 2025

For and on behalf of the Board of Directors of
Thermax Instrumentation Limited

Kirtiraj Jilkar
Director
DIN: 09675574

Rajendran Arunachalam
Director
DIN: 08446343

Ajit Sharma
Chief financial officer

Sudhir Lale
Company Secretary

Place: Pune
Date: May 05, 2025

Cash Flow Statement for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

	Particulars	Note	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Cash flows from operating activities**			
	Profit before tax		**1,775.20**	**1,651.56**
	Adjustments to reconcile profit before tax to net cash flows:			
	Depreciation and amortisation expense	24	17.20	22.27
	Provision for impairment allowance of financial assets (net)	25	(306.01)	(62.66)
	Finance costs	23	21.59	14.55
	Bad debts/advances written off	25	488.69	92.49
	(Gain) on sale/discard of assets (net)	20	(11.06)	(0.03)
	Interest income from financial assets at amortized cost	20	(29.18)	(72.71)
	Other interest income	20	(691.88)	(22.91)
	Unrealised foreign exchange (gain) (net)		(12.54)	23.73
	Fair value gain on financial instruments at fair value through profit and loss (net)	20	(179.34)	(96.37)
	Liabilities no longer required written back	20	(77.06)	(232.06)
	Cash flows before working capital changes		**995.61**	**1,317.86**
	Working capital adjustments			
	Decrease in trade receivables		1,156.59	2,849.69
	Decrease/ (increase) in other financial assets		1,044.86	(352.29)
	Decrease in other assets		126.51	204.21
	Decrease in inventories		-	124.94
	Decrease in loans		0.93	1.39
	(Decrease) in trade payables		(979.65)	(1,501.57)
	(Decrease) in other liabilities		(1,261.50)	(1,989.40)
	(Decrease) in other financial liabilities		(127.73)	(1,756.24)
	(Decrease) in provisions		(67.81)	(195.30)
			(107.80)	**(2,614.57)**
	Cash generated/ (used in) from operations		**887.81**	**(1,296.71)**
	Direct taxes paid (net of refunds)		**1,060.21**	**(277.46)**
	Net cash flow (used in)/ from operating activities**		**1,948.02**	**(1,574.17)**
B)	**Cash flows from/ (used in) investing activities**			
	Purchase of property, plant and equipment	4(a)	(1.25)	(0.09)
	Proceeds from sale of property, plant and equipment		11.69	0.40
	Purchase of short term investments		(3,524.64)	(449.97)
	Proceeds from sale of short term investments		2,700.00	405.00
	Interest received on fixed deposit		50.31	63.78
	Investment in fixed deposits		(600.00)	(2,700.00)
	Redemption of fixed deposits		1,950.00	2,649.00
	Net cash flows from/ (used in) investing activities		**586.11**	**(31.88)**
C)	**Cash flows from/ (used in) financing activities**			
	Proceeds from issue of preference shares		-	1,700.00
	Transaction cost for increase in share capital		-	(11.60)
	Interim dividend paid		(2,500.00)	(450.00)
	Interest paid		(5.92)	(14.55)
	Net cash flows from/ (used in) financing activities		**(2,505.92)**	**1,223.85**
	Net increase/ (decrease) in cash and cash equivalents		**28.21**	**(382.20)**
	Cash and cash equivalents at the beginning of the year		453.02	864.68
	Effect of exchange differences on translation of foreign operations [note 13(a)]		(2.18)	(29.46)
	Cash and cash equivalents at the end of the year		**479.05**	**453.02**

** Includes amount spent in cash towards Corporate Social Responsibility Rs. 29.59 (March 31, 2024: Rs.28.38) (Refer note 27)

Reconciliation of cash and cash equivalents as per the cash flow statement:

	Note No.	March 31, 2025	March 31, 2024
Cash and cash equivalents	9 (a)	479.05	453.02
Balances as per Cash flow statement		**479.05**	**453.02**

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

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg No.324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership No. 135859

Place: Pune
Date: May 05, 2025

For and on behalf of the Board of Directors of
Thermax Instrumentation Limited

Kirtiraj Jilkar
Director
DIN: 09675574

Rajendran Arunachalam
Director
DIN: 08446343

Ajit Sharma
Chief financial officer

Sudhir Lale
Company Secretary

Place: Pune
Date: May 05, 2025

Thermax Instrumentation Limited

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

1. Corporate information

Thermax Instrumentation Limited (the "Company") is a public company incorporated and domiciled in India. The Company is engaged in rendering erection, commissioning, civil works and operation and maintenance services for turnkey contracts for power plants. The Company has established foreign branches at Manila (Philippines), Lusaka (Zambia) and Sharjah (United Arab Emirates) which are in the business of rendering supervision, operation and maintenance services for power plants. The Company caters to both domestic and international markets. The CIN of the Company is U72200MH1996PTC099050. The financial statements were authorized for issue in accordance with the resolution by the Board of Directors on May 05, 2025.

2. Material accounting policies

2.1. Basis of preparation and measurement

a. Statement of compliance and basis of preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (from time to time) and presentation requirement of Division II of Schedule III to the Act, as amended (from time to time) as applicable to the financial statements.

The preparation of the financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

The accounting policies adopted for preparation and presentation of financial statements have been consistently applied except for changes resulting from amendments to Ind AS issued by Ministry of Corporate Affairs (MCA) effective for financial years beginning on or after April 1, 2024 as disclosed in note 2.3.

b. Basis of measurement

The financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans whereby assets/liabilities are measured at fair value.

The accounting policies and related notes further described the specific measurements applied for each of the assets and liabilities.

2.2 Summary of material accounting policies

a. Current and non-current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

b. Foreign currencies

The Company's financial statements are prepared in INR, which is the also functional currency of the Company.

For each independent business unit, the Company determines the functional currency and items included in the financial statements of each unit are measured using that functional currency. The Company uses the direct method of consolidation for branches and on disposal of a foreign operation the gain or loss that is reclassified to the Statement of profit and loss reflects the amount that arises from using this method.

Transactions and balances

Transactions in foreign currencies are initially recorded by the Company's branches at their respective functional currency spot rates at the date the transaction first qualifies for recognition. However, for practical reasons, the Company uses an average rate if the average approximates the actual rate at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of profit and loss except exchange differences arising on monetary items that forms part of a reporting entity's net investment in a foreign operation are recognized in the Statement of profit and loss in the separate financial statements of the reporting entity or the individual financial statements of the foreign operation, as appropriate. In the financial statements that include the foreign operation and the reporting entity (e.g., financial statements when the foreign operation is a branch), such exchange differences are recognized initially in OCI. These exchange differences are reclassified from equity to the Statement of profit and loss on disposal of the net investment.

Tax charges and credits attributable to exchange differences on those monetary items, if any, are also recorded in OCI. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined. The gain or loss arising on translation of non-monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognized in OCI or the Statement of profit and loss are also recognized in OCI or the Statement of profit and loss, respectively).

Company's foreign branches

The Company has foreign operations that are subject to legal and regulatory regimes of the country of incorporation. The foreign operations are subject to such a regime and have transactions in their own local currency, the branches are considered as sufficiently autonomous business units by the management. Hence, the functional currency of the branches has been assessed to be United State Dollars (US$) while that of the India operations continues to be INR.

The assets and liabilities of foreign operations are translated into INR, which is the presentation currency of the Company, at the rate of exchange prevailing at the reporting date and their Statement of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the Company uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions. The exchange differences arising on translation of branches are recognized in OCI. On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognized in the Statement of profit and loss.

c. Fair value measurement

The Company measures financial instruments, such as, derivatives 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

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

presumption that the transaction to sell the asset or transfer the liability takes place either:

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

The principal or the most advantageous market must be accessible by the Company. The 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 asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant judgements, estimates and assumptions (note 3)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial instruments (including those carried at amortized cost) (note 34)

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

d. Financial instruments

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.

Financial assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories by the Company.

(i) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/income in the statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

(ii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in Statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a ""pass-through"" arrangement; 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.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are provided in the following notes:

- **Trade receivables -** Refer note 5;
- **Loans -** Refer note 10;
- **Contract assets and other financial assets-** Refer note 11.

Expected credit loss:

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month. The Company considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an

integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

e. Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its separate financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its separate financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

2.3 Changes in accounting policies and disclosures

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated August 12, 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 1, 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases - Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback. The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after April 1, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

2.4 Climate-related matters

The Company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the group due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the Company is closely monitoring relevant changes and developments, such as new climate-related legislation.

3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Judgements

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

Functional currency of branches

The Company has foreign operations that are required to comply with the local laws and regulations of those countries. The management has carried out an assessment each individual business unit operating in the

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

separate geographical location. The management has performed this assessment for the purpose of defining that Company's foreign currency exposure which affects it results and financial position due to currency fluctuation. The business of the three branches is different from the Indian unit. The revenue and expenses are mainly United States Dollar (US$) denominated and retained earnings which are separately held in a US$ bank account are considered as the major factors for assessment of the functional currency. Accordingly, the functional currency is designated as US$ for the foreign branches.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions 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.

Expected credit loss

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables for its Indian operations. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. On that basis, the Company estimates a default rate of 0.2% of total revenue for trade receivables and 0.5% of contract revenue for contract receivables. The Company follows provisioning norms based on ageing of receivables to estimate the ECL provision. For retention receivables, the Company additionally categorizes the receivables due from Public Sector Undertakings (PSUs) and Non-PSUs and follows a wider aged bucket provisioning norm as the performance guarantee tests require certain time period ranging up to 8 and 10 years respectively. Refer note 5 and 11 for details of impairment allowance recognized as at the reporting date.

The other areas involving critical estimates or judgements are:

a. Estimations used for fair value measurement (Refer note 34)

b. Estimates and assumptions related to useful lives and impairment of Property, Plant and Equipment (PPE) (Refer note 4)

c. Estimates and assumptions for income taxes (Refer note 6)

d. Estimates and assumptions related to provisions (Refer note 18)

e. Estimates, judgments and assumptions used for revenue from operations (Refer note 19)

f. Judgements used for contingent liabilities and commitments (Refer note 30)

g. Judgements related to leasing arrangements (Refer note 31)

h. Judgements related to segment reporting (Refer note 32)

4(a) Property, plant and equipment* (PPE)

Accounting policy

Property, plant and equipment (PPE) is stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Gains or losses arising from derecognition of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

The management has estimated, supported by independent assessment by professionals, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Buildings	30	30
Plant and equipment*	15	15 to 20
Office equipment*	5	5
Computers	3 to 6	3 to 6
Vehicles	7 to 10	8

*includes site infrastructure which is fully depreciated in the year of purchase

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

Estimates and assumptions

The Company determines, based on independent technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives periodically and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Accounting policy

Impairment of PPE

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses including impairment on inventory are recognized in the Statement of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been

a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase if applicable.

The Company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

Estimates and assumptions

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years as approved by the Management and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the terminal growth rate used.

Particulars	Leasehold land	Buildings#	Plant and equipment	Office equipment	Computer	Furniture & fixtures	Total
Gross carrying amount *							
As at April 1, 2023	**12.22**	**304.19**	**72.74**	**141.50**	**52.46**	**0.02**	**583.13**
Additions	-	-	-	0.09	-	-	0.09
Disposals	-	-	-	(53.17)	(13.98)	-	(67.15)
As at March 31, 2024	**12.22**	**304.19**	**72.74**	**88.42**	**38.48**	**0.02**	**516.07**
Additions	-	-	-	1.25	-	-	1.25
Disposals	-	-	-	(27.16)	(6.38)	-	(33.54)
As at March 31, 2025	**12.22**	**304.19**	**72.74**	**62.51**	**32.10**	**0.02**	**483.78**
Accumulated depreciation*							
As at April 1, 2023	**4.55**	**232.93**	**59.51**	**138.55**	**47.85**	**-**	**483.39**
Charge for the year	0.12	10.14	4.80	2.58	2.33	-	19.97
Disposals	-	-	-	(52.92)	(13.97)	-	(66.89)
As at March 31, 2024	**4.67**	**243.07**	**64.31**	**88.21**	**36.21**	**-**	**436.47**
Charge for the year	0.12	10.14	4.81	0.46	1.67	-	17.20
Disposals	-	-	-	(27.11)	(5.80)	-	(32.91)
As at March 31, 2025	**4.79**	**253.21**	**69.12**	**61.56**	**32.08**	**-**	**420.76**
Net Block							
As at March 31, 2025	**7.43**	**50.98**	**3.62**	**0.95**	**0.02**	**0.02**	**63.02**
As at March 31, 2024	7.55	61.12	8.43	0.21	2.27	0.02	79.60

The above asset has been given on operating lease.

* The Company had elected to continue with the carrying value of property, plant and equipment as recognised in the financial statements as per previous GAAP and had regarded those values as the deemed cost on the date of transition (i.e. April 1, 2015). The Company has disclosed the gross block and accumulated depreciation above, for information purpose only.

4(b) Intangible assets**

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

A summary of amortization rates applied to the intangible assets are as below:

Assets category	Life (years)
Computer software	3

Particulars	Computer software
Gross carrying amount	
As at April 1, 2023	**42.91**
Additions	-
Disposals	-
As at March 31, 2024	**42.91**
Additions	-
Disposals	-
As at March 31, 2025	**42.91**
Accumulated amortisation	
As at April 1, 2023	**40.61**
Charge for the year	2.30
Disposals	-
As at March 31, 2024	**42.91**
Charge for the year	-
Disposals	-
As at March 31, 2025	**42.91**
Net Block	
As at March 31, 2025	**-**
As at March 31, 2024	-

** The Company had elected to continue with the carrying value of intangible asset as recognised in the financial statements as per previous GAAP and had regarded those values as the deemed cost on the date of transition (i.e. April 1, 2015). The Company has disclosed the gross block and accumulated amortisation above, for information purpose only.

5 Trade receivables

Accounting policy

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

5 (a) Current trade receivables

	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Trade receivables (net of impairment allowance)		
(i) Related parties (note 33)	759.42	1,305.61
(ii) Others	773.71	1,540.11
Total receivables	**1,533.13**	**2,845.72**
Sub-classification of trade receivables		
Secured, considered good	-	53.21
Unsecured, considered good	2,097.31	3,862.06
Trade receivables which have a significant increase in credit risk	74.56	74.56
Trade receivables - credit impaired	268.31	77.01
	2,440.18	**4,066.84**
(Less): Impairment allowance	(907.05)	(1,221.12)
Total	**1,533.13**	**2,845.72**

The ageing of current trade receivables:

Particulars		Not Due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables-considered good	**March 31, 2025**	**372.79**	**262.64**	**328.87**	**352.86**	**248.43**	**531.72**	**2,097.31**
	March 31, 2024	478.02	1,107.11	975.38	616.59	64.22	673.95	3,915.27
(ii) Undisputed trade receivables-which have significant increase in credit risk	**March 31, 2025**	**-**	**-**	**-**	**-**	**-**	**74.56**	**74.56**
	March 31, 2024	-	-	-	-	-	74.56	74.56
(iii) Undisputed trade receivables-credit impaired	March 31, 2025	-	-	-	-	258.32	9.99	**268.31**
	March 31, 2024	-	-	-	-	8.13	68.88	77.01
Subtotal	**March 31, 2025**	**372.79**	**262.64**	**328.87**	**352.86**	**506.75**	**616.27**	**2,440.18**
	March 31, 2024	478.02	1,107.11	975.38	616.59	72.35	817.39	4,066.84
(Less): Impairment allowance*	**March 31, 2025**							**(907.05)**
	March 31, 2024							(1,221.12)
Total	**March 31, 2025**							**1,533.13**
	March 31, 2024							2,845.72

*Includes provision of Rs. 74.56 (March 31, 2024:Rs. 74.56) for trade receivables which have significant increase in credit risk and provision of Rs.268.31 (March 31, 2024:Rs. 77.01) for trade receivables which are credit impaired.

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. For terms and conditions relating to related party receivables, refer note 33.

The Company has recorded an impairment of receivables relating to amounts owed by related parties as per the policy. The assessment is undertaken each financial year by examining the final contract completion milestones of the related party with the end customer.

Trade receivables are non-interest bearing and are generally on terms of 0-90 days.

At March 31, 2025 the Company has Rs. 6,500.00 (March 31, 2024 : Rs 2,000.00) undrawn borrowing facilities hypothecated against trade receivables.

5 (b) Expected credit loss (ECL)

Estimates and assumptions

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on The Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, each entity uses a provision matrix to determine ECL impairment allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, The Company estimates a default rate of total revenue for trade receivables and contract revenue for contract assets. The Company follows provisioning norms based on ageing of receivables to estimate the impairment allowance under ECL. For retention receivables, The Company additionally categorizes the receivables due from Public Sector Undertakings (PSUs) and Non-PSUs and follows a wider aged bucket provisioning norm as the performance guarantee tests require certain time period after the supplies are completed.

The following table summarises the change in impairment allowance measured using the life time ECL model (Pursuant to Ind AS 109):

	Provision on trade receivables [note 5 (a)]		Provision on unbilled revenue [note 11 (b)]	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	1,221.12	1,283.78	86.75	86.75
(Less): Bad debts/write off	(482.61)	-	-	-
	738.51	1,283.78	86.75	86.75
Add: Provision made during the year	362.77	322.50	25.37	-
(Less): Utilized/reversed during the year	(196.40)	(385.16)	(17.31)	-
Exchange differences	2.17	-	-	-
At the end of the year	**907.05**	**1,221.12**	**94.81**	**86.75**

Also refer note 33 for impairment provision on related party balances.

6 Income Taxes

Accounting policy

Tax expense comprises current tax expense and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the countries where the Company operates and generates taxable income.

Current income tax relating to items recognized outside the Statement of profit and loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside the Statement of profit and loss is recognized outside the Statement of profit and loss (either in other comprehensive income or in equity) in correlation to the underlying transaction.

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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

The Company applies significant judgement in identifying uncertainties over income tax treatments.

The Company is subject to local taxes on income attributable to its branches as per the income tax laws in Philippines and Zambia. Additionally, the Company is subject to a 15%/20%/0% branch profit tax in these Philippines/Zambia/Sharjah respectively on the "Business Profit Remittances" and "Withholding Tax Return – Dividend" as that term is defined under Philippine and Zambian tax laws respectively. The Company intends to maintain the minimum required level of net assets as per the local regulation in these branches commensurate with its operation and consistent with its business plan. The Company intends to repatriate the branch profits in the foreseeable future and accordingly, the Company has recorded deferred tax liability for profits of the branches not repatriated to India amounting to Rs. 35.76 (March 31, 2024: Rs 68.83) as at the balance sheet date.

Estimates and assumptions

At each balance sheet date, the Company (including branches) assesses whether the realization of future tax benefits as per jurisdiction of the countries in which it operates is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted for any of the jurisdiction in which company (including branches) operates.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

6(a) The major components of income tax expense for the year ended are:

Statement of profit and loss	For the year ended March 31, 2025	For the year ended March 31, 2024
Current income tax		
Current income tax charge	455.00	530.99
Adjustments in respect of current income tax of previous years	193.68	47.55
Deferred tax		
Relating to origination and reversal of temporary differences	162.51	(77.77)
Income tax expense reported in the Statement of profit and loss	**811.19**	**500.77**

Other comprehensive income	For the year ended March 31, 2025	For the year ended March 31, 2024
Deferred tax related to items recognized in Other comprehensive income during the period		
Re-measurement of defined benefit plans	3.88	3.79
Income tax charged to Other comprehensive income	**3.88**	**3.79**

6(b) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

	For the year ended March 31, 2025	For the year ended March 31, 2024
Accounting profit before tax	1,775.20	1,651.56
At India's statutory income tax rate of 25.17% (March 31, 2024: 25.17%)	446.82	415.70
Reconciliation items and tax impact of the same		
Effects of non-deductible business expenses	54.47	42.19
Deferred tax on unrealized profits of branches	(33.07)	(66.20)
Taxes paid on repatriation of branch profits	57.35	146.38
Adjustment of tax relating to earlier periods	193.68	47.55
Others (majorly pertains to differential tax rates at branches)	91.94	(84.85)
Income tax expense reported in the Statement of profit or loss at effective tax rate of 45.70% (March 31, 2024: 30.32%)	**811.19**	**500.77**

6(c) Statement of profit and loss (including OCI)

	For the year ended March 31, 2025	For the year ended March 31, 2024
Deferred tax relates to the following :		
Retained earnings of foreign branches	(33.07)	(66.20)
Unrealized foreign exchange gain	(0.77)	(1.50)
Difference between tax depreciation and depreciation/amortisation charged for financial reporting purposes	3.29	(0.56)
Provision for doubtful debts and advances	121.04	(32.13)
Items allowed on payment basis	23.94	(39.62)
Temporary differences due to accounting treatment as required by Income tax standards	(3.22)	42.77
Other (includes deferred tax balances pertaining to branches)	47.42	15.68
Deferred tax expense/ (income) in statement of profit and loss	**158.63**	**(81.56)**

6(d) Balance Sheet

	As at March 31, 2025	As at March 31, 2024
Deferred tax relates to the following :		
Deferred tax liabilities:		
Retained earnings of foreign branches	(35.76)	(68.83)
Unrealized foreign exchange gain	(0.30)	(1.07)
	(36.06)	**(69.90)**
Deferred tax assets:		
Difference between tax depreciation and depreciation/ amortisation charged for financial reporting purposes	18.59	21.88
Provision for doubtful debts and advances	242.16	363.20
Items allowed on payment basis	44.67	68.61
Temporary differences in accounting treatment as required by income tax standards	3.22	-
Other (includes deferred tax balances pertaining to branches)	46.42	93.84
	355.06	**547.53**
Deferred tax assets (net)	**319.00**	**477.63**

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

Reconciliation of deferred tax assets (net)

	As at March 31, 2025	As at March 31, 2024
Opening balance	477.63	396.07
Tax (expense)/ income during the year recognised in profit or loss	(162.51)	77.77
Tax income during the year recognised in OCI	3.88	3.79
Closing balance	**319.00**	**477.63**

Break up of gross deferred tax assets/liabilities

	As at March 31, 2025	As at March 31, 2024
Deferred tax assets	355.06	547.53
Deferred tax liabilities	(36.06)	(69.90)
Net deferred tax assets	**319.00**	**477.63**

7 Other assets

7 (a) Other non-current assets

	As at March 31, 2025	As at March 31, 2024
Balances with government authorities		
Unsecured, considered good	1,331.34	523.20
Unsecured, considered doubtful	6.89	22.73
	1,338.23	545.93
(Less) : Impairment allowance	(6.89)	(22.73)
Total	**1,331.34**	**523.20**

7 (b) Other current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured considered good		
Advances to suppliers	34.41	212.57
Advances to employees	8.17	48.17
Prepaid expenses	42.29	49.15
Balances with government authorities	143.30	900.81
Surplus in funded plan [note 18 (b)]	87.80	6.47
Others (includes recovery of expenses from holding company)	-	54.94
Total	**315.97**	**1,272.11**

There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which a director is a partner or a member.

8 Investments

	As at March 31, 2025	As at March 31, 2024
Investments at Fair value through profit or loss		
Units of mutual funds (quoted)	2,226.98	1,223.00
Total	**2,226.98**	**1,223.00**
Aggregate amount of quoted investments	2,226.98	1,223.00

Investment in fair value through profit or loss reflect investment in quoted debt securities. Refer note 34 for determination of their fair values.

9 (a) Cash and cash equivalent

Accounting policy

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash at banks and on hand as they are considered an integral part of the Company's cash management.

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- in current accounts*	479.04	452.98
Cash on hand	0.01	0.04
Total	**479.05**	**453.02**

* this includes bank balances of Rs. 433.88 (March 31, 2024 : Rs. 233.80) at branches which can be used freely for business in respective country of incorporation. For any repatriation to India, these are subject to repatriation taxes as per the local laws of those countries.

9 (b) Other bank balances

	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity of more than 3 months but less than 12 months *	-	1,371.13
Total	**-**	**1,371.13**

* As at March 31, 2024 deposit include of Rs.100.00 in the name of Thermax Cooling Solutions Limited (TCSL).

10 Loans

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
At amortised cost		
Loans to employees	-	0.93
Total	**-**	**0.93**

No loans are due from directors or other officers of the company either severally or jointly with any other person or from private companies or firms in which any director is a partner, a director or a member respectively.

11 Other financial assets

11 (a) Other non current financial assets

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Unsecured and considered good		
Security deposits	1.14	1.14
Total	**1.14**	**1.14**

11 (b) Other current financial assets

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Unsecured and considered good		
Unbilled revenue (note 19 & 33)* (Contract assets)	55.30	1,112.55
Trade deposits #	48.50	47.33
Security deposits	12.90	9.74
Total	**116.70**	**1,169.62**

* Unbilled revenue is net of impairment allowance of Rs. 94.81 (March 31, 2024: Rs. 86.75) [note 5 (b)].

Trade deposits represents deposit given as per statutory requirements for overseas branch.

12 Share capital

Accounting policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares or stock options are recognized as a deduction from equity, net of any related income tax effects.

	As at March 31, 2025	As at March 31, 2024
Authorized shares		
9,000,000 (March 31, 2024 : 9,000,000) equity shares of Rs. 10/- each	900.00	900.00
1,700,000 (March 31, 2024 : 1,700,000) 10% redeemable preference shares of Rs 100/- each	1,700.00	1,700.00
	2,600.00	**2,600.00**
Issued, subscribed and fully paid share capital		
9,000,000 (March 31, 2024 : 9,000,000) equity shares of Rs. 10/- each	900.00	900.00
Total issued, subscribed and fully paid-up share capital	**900.00**	**900.00**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

(a) Reconciliation of the shares outstanding at the beginning and at the end of the period

	No. of shares	Amount
Equity share of Rs. 10/- each issued, subscribed and fully paid		
As at April 1, 2023	9,000,000	900.00
Changes during the year	-	-
As at March 31, 2024	9,000,000	900.00
Changes during the year	-	-
As at March 31, 2025	**9,000,000**	**900.00**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by holding company/ promoter

	As at March 31, 2025	As at March 31, 2024
Thermax Limited	900.00	900.00
9,000,000 (March 31, 2024: 9,000,000) equity shares of Rs. 10/- each fully paid		

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2025	As at March 31, 2024
Thermax Limited		
%	100.00	100.00
No. of shares (including 6 share held by nominee shareholders)*	9,000,000	9,000,000

*As per the records of the company, including it's register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents the legal ownership of shares.

(e) There are no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

(f) For disclosures related to 10% redeemable preference shares refer note 14.

13(a) Other equity

	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
Capital reserve	400.81	400.81
Capital redemption reserve	1,000.00	1,000.00
Retained earnings		
Opening balance	2,554.95	1,877.07
Add: Profit for the year	964.01	1,150.79
(Less): Transaction cost for increase in share capital	-	(11.60)
(Less): Interim dividend paid [note 13(b)]	(2,500.00)	(450.00)
Movement during the year	(1,535.99)	689.19
Items of other comprehensive income recognized directly in retained earnings:		
Re-measurement gain/(loss) on defined benefit plans, net of tax Rs. 3.88 (March 31, 2024 : Rs. 3.79)	(11.53)	(11.31)
Net Surplus in the Statement of profit and loss	**1,007.43**	**2,554.95**
Total Reserves and surplus	**2,408.24**	**3,955.76**
Other Reserve		
Foreign currency translation reserve		
Opening balance	8.67	38.13
Add : Movement during the year (net)	(2.18)	(29.46)
Closing balance	6.49	8.67
Fair value adjustment of redeemable preference shares, net of tax Rs. 65.82 (March 31, 2024: Rs. 65.82)	160.21	160.21
Total	**2,574.94**	**4,124.64**

Capital reserve

Capital Reserve pertains to reserves arising on amalgamations in the earlier years which is required to be maintained as per statute and is not distributable to the shareholders.

Capital redemption reserve

The Company has created Capital redemption reserve on redemption of non-cumulative redeemable preference shares in accordance with the Act.

Retained Earnings

Retained Earnings are the profits that company has earned till date, less any transfer to General Reserve, transaction cost relating to equity, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss / (gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Foreign currency translation reserve

The Foreign currency translation reserve pertains to exchange differences on the translation of foreign branches having a functional currency other than INR.

Defined benefit obligation

Following are the movement of amounts recognised in the statement of other comprehensive income on account of defined benefit obligation:

	As at March 31, 2025	As at March 31, 2024
Opening balance	7.56	22.66
Add: Total remeasurements cost for the year recognised in OCI	(15.41)	(15.10)
Closing balance	**(7.85)**	**7.56**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

13(b) Distribution made and proposed

Accounting policy

Dividend to equity shareholders is recognised as a liability in the period in which the dividends are approved by the equity shareholders. Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognised as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of Directors.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Cash dividend on equity shares declared and paid by company:		
Interim dividend for the year ended March 31, 2025: Rs. 27.78/- per share (March 31, 2024 : Rs. 5/- per share)	2,500.00	450.00
	2,500.00	**450.00**

14 Non-current borrowings

Accounting policy

Equity vs liability classification

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs. The Company classifies a financial instrument issued by it as equity instrument only if below conditions are met:

• The instrument includes no contractual obligation to deliver cash or another financial asset to another entity. Nor it includes any obligation to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the issuer.

• If the instrument will, or may, be settled in the Company's own equity instruments, it is non-derivative instrument that includes no contractual obligation for the Company to deliver a variable number of its own equity instruments. If the instrument is derivative, then it should be settled only by the Company exchanging a fixed amount of cash or another financial asset for a fixed number of its own equity instruments.

All other instruments are classified as financial liability and accounted for using the accounting policy applicable to the Financial Liabilities

	As at March 31, 2025	As at March 31, 2024
10% Non-cumulative Redeemable Preference Shares at fair value		
1,700,000 Preference Shares of Rs 100/- each fully paid^ (note 33)	1,700.00	1,700.00
Total non current borrowings	**1,700.00**	**1,700.00**

^ Preference shares pertain to 10% non cumulative redeemable preference shares issued to the Holding Company.

This forms a part of the authorized share capital of 1,700,000 Nos. (March 31, 2024: 1,700,000 Nos.) 10% redeemable preference shares of Rs 100 each as per the Act.

Terms/ rights attached to preference shares

Each preference share has a par value of Rs. 100/-, the preference shares shall be redeemed at any time within a period not exceeding 20 years from the date of allotment at the discretion of the issuer at par. The preference shares shall carry non cumulative dividend rights at the rate of 10% per annum. The preference shares shall carry voting rights as prescribed in the Act. In the event of liquidation of the Company the redeemable preference shareholders have a preferential right over repayment.

15 Trade payable (at amortised cost)

15 (a) Non-current trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (note 15 (c))	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	367.43
Total	**-**	**367.43**

The ageing of non-current trade payables which are due for payment :

		Not Due	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
(i) Outstanding dues of micro enterprises and small enterprises	March 31, 2025	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
(ii) Outstanding dues of creditors other than micro enterprises and small enterprises	March 31, 2025	-	-	-	-	-	-
	March 31, 2024	363.68	-	-	-	-	363.68
(iii) Disputed dues of micro enterprises and small enterprises	March 31, 2025	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	March 31, 2025	-	-	-	-	-	-
	March 31, 2024	3.75	-	-	-	-	**3.75**
Total	**March 31, 2025**	**-**	**-**	**-**	**-**	**-**	**-**
	March 31, 2024	367.43	-	-	-	-	**367.43**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

15 (b) Current trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (note 15 (c))	822.61	1,425.31
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related parties (note 33)	160.23	56.85
(ii) Others	673.81	848.10
Total	**1,656.65**	**2,330.26**

For terms and conditions with related parties, refer note 33.

Trade payables are non-interest bearing and are generally on terms of 30-90 days.

The ageing of current trade payables which are due for payment :

Particulars		Not Due	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
(i) Outstanding dues of micro enterprises and small enterprises	March 31, 2025	493.01	329.60	-	-	-	822.61
	March 31, 2024	1,221.97	203.34	-	-	-	1,425.31
(ii) Outstanding dues of creditors other than micro enterprises and small enterprises	March 31, 2025	163.40	171.33	115.53	68.94	23.87	543.07
	March 31, 2024	251.20	74.71	116.77	33.13	75.34	551.15
(iii) Disputed dues of micro enterprises and small enterprises	March 31, 2025	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro enterprises and small enterprises	March 31, 2025	11.85	-	-	-	-	11.85
	March 31, 2024	8.67	-	-	-	-	8.67
Subtotal	**March 31, 2025**	**668.26**	**500.93**	**115.53**	**68.94**	**23.87**	**1,377.53**
	March 31, 2024	1,481.84	278.05	116.77	33.13	75.34	1,985.13
Unbilled trade payables	March 31, 2025						279.12
	March 31, 2024						345.13
Total	**March 31, 2025**						**1,656.65**
	March 31, 2024						2,330.26

15 (c) Details of dues to micro enterprises and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.*

	As at March 31, 2025	As at March 31, 2024
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount outstanding (whether due or not) to micro and small enterprises	780.39	1,398.76
- Interest due thereon	1.48	1.87
(ii) The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(iii) The amount of payment made to the supplier beyond the appointed day during the period	1,386.68	890.18
(iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	14.19	13.81
(v) The amount of interest accrued and remaining unpaid at the end of each accounting year	15.67	15.68
(vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	42.22	26.55

*Information in this regard is on the basis of intimation received, on request made by the Company, with regards to registration of vendors under said Act.

16 Other financial liabilities

	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Employee related payables	112.10	226.35
Customer deposits	63.97	62.42
Other payables (note 33) *	50.99	66.02
Total	**227.06**	**354.79**

* includes payable to related party for post employment benefits pertaining to transferred employees.

17 Other current liabilities

	As at March 31, 2025	As at March 31, 2024
Unearned revenue (note 19) (contract liabilities)	170.67	654.12
Customer advances (note 19) (contract liabilities)		
(i) Related parties (note 33)	164.18	897.41
(ii) Others	185.56	101.30
Statutory dues and other liabilities*	70.63	199.71
Total	**591.04**	**1,852.54**

* mainly includes tax deducted at source, provident fund etc.
For terms and conditions with related parties refer note 33

18 Provisions

Accounting policy

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Warranty provisions

Provisions for warranty-related costs are recognized when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty related costs is revised annually.

Provision for onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

Past service costs are recognized 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 recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred.

The Company presents the leave as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement for 12 months after the reporting date. However, the Company does not expect that all leave obligations will be settled in the next 12 months.

Estimates and assumptions

Defined benefit plans - gratuity

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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 and mortality rates. 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 which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

Provision for warranties

Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacements, material costs, servicing cost and past experience in respect of such costs. It is expected that this expenditure will be incurred over the contracted warranty period ranging upto 2 years. If warranty claim costs vary by 10% from management's estimate, the warranty provisions would be an estimated Rs. 2.65 higher or lower (March 31, 2024 Rs. 3.95).

Provision for onerous contracts

A provision for expected loss on construction contracts is recognised when it is probable that the contracts costs will exceed total contract revenue. For all other contracts, provision is made when the unavoidable costs of meeting the obligation under the contract exceed the currently estimated economic benefits. The timing of cash outflows in respect of such provision is estimated to be over the contract period.

18 (a) Current provisions

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for leave encashment	13.66	81.27
	13.66	**81.27**
Other provisions		
Provision for onerous contracts (net)	12.80	-
Provision for warranties	26.52	39.52
	39.32	**39.52**
Total	**52.98**	**120.79**

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Movement in provisions for warranties

	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	39.52	30.35
Additional provisions recognised	-	10.77
Provisions (utilized)/(reversed) during the year	(13.00)	(1.60)
At the end of the year	**26.52**	**39.52**

Movement in provisions for onerous contracts

	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	-	172.32
Additional provisions recognised	12.80	5.38
Provisions (utilized)/(reversed) during the year	-	(177.70)
At the end of the year	**12.80**	**-**

18 (b) Gratuity

The Company operates a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed at least specified years of service gets a gratuity on departure at the rate of 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance company in the form of qualifying insurance policy. The fund has formed a trust and it is governed by the Board of Trustees.

The fund is subject to risks such as asset volatility, changes in asset yields and asset liability mismatch risk. In managing the plan assets, Board of Trustees reviews and manages these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes asset-liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk-averse markets). The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

(i) Changes in the net benefit obligation and fair value of plan assets are as follows :

	Present value of obligation	Fair value of plan assets	Net amount
April 01, 2023	**177.28**	**222.31**	**(45.03)**
Current service cost	25.70	-	25.70
Interest expense / income	11.80	16.02	(4.22)
Total amount recognised in the statement of profit and loss	**37.50**	**16.02**	**21.48**
Experience adjustments	14.18	-	14.18
Actuarial (gain)/loss from change in financial assumptions	2.46	1.17	1.29
Return on plan assets	-	0.37	(0.37)
Total amount recognised in other comprehensive income	**16.64**	**1.54**	**15.10**
Employer contributions	(15.51)	28.03	(43.54)
Transfer out	(9.55)	(39.56)	30.01
Benefits paid	(4.67)	(20.18)	15.51
As at March 31, 2024	**201.69**	**208.16**	**(6.47)**
Current service cost	4.72	-	4.72
Interest expense / income	1.98	8.21	(6.23)
Total amount recognised in the statement of profit and loss	**6.70**	**8.21**	**(1.51)**
Experience adjustments	0.29	-	0.29
Actuarial (gain)/loss from change in financial assumptions	-	(21.86)	21.86
Return on plan assets	-	6.74	(6.74)
Total amount recognised in other comprehensive income	**0.29**	**(15.12)**	**15.41**
Employer contributions	1.77	12.96	(11.19)
Transfer out	(168.87)	(95.43)	(73.44)
Benefits paid	(12.57)	(1.96)	(10.61)
For the year ended March 31, 2025	**29.02**	**116.82**	**(87.80)**

(ii) The net (asset) disclosed above relates to funded plans are as follows :

	As at March 31, 2025	As at March 31, 2024
Present value of funded obligation	29.02	201.69
Fair value of plan assets*	116.82	208.16
(Surplus) of funded plan (refer note 7 (b))	**(87.80)**	**(6.47)**

*The Company is in process of transferring the plan asset of Rs. 11.57 (March 31, 2024 : 10.89) related to demerged unit as a part of business combination. The plan asset also includes Rs.35.70 (March 31, 2024 : Nil) pertaining to employees transferred to group company for which fund transfer process is initiated.

(iii) Significant estimates

The significant actuarial assumptions were as follows :

	As at March 31, 2025	As at March 31, 2024
Discount rate	6.70%	7.00%
Salary growth rate	7.00%	7.00%
Normal retirement age	60 years	60 years
Mortality table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Employee turnover	12.00%	12.00%

(vi) Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	As at March 31, 2025	As at March 31, 2024
Discount rate		
1.00% decrease	increase by Rs. 2.16	increase by Rs. 10.91
1.00% increase	decrease by Rs. 1.92	decrease by Rs. 9.93
Future salary increase		
1.00% decrease	decrease by Rs. 1.67	decrease by Rs. 9.13
1.00% increase	increase by Rs. 1.85	increase by Rs. 9.85
Attrition Rate		
1.00% decrease	increase by Rs. 0.04	increase by Rs. 0.75
1.00% increase	decrease by Rs. 0.04	decrease by Rs. 0.71

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When

calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following are the expected cash flows to the defined benefit plan in future years:

Particulars	As at March 31, 2025	As at March 31, 2024
Within next 12 months	2.89	23.52
Between 2-5 years	15.96	113.76
> 5 years	31.89	116.78

The average duration of the defined benefit plan obligation at the end of the reporting period is 10.56 years (March 31, 2024: 7.28 years)

The Company expects to contribute Rs. Nil (March 31, 2024: Rs. Nil) to the gratuity fund in the next year.

The major categories of plan assets are as follows:

	As at March 31, 2025	As at March 31, 2024
Investments with Insurer (LIC of India)	100.00%	100.00%

19 Revenue from operations

Accounting policy

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The specific recognition criteria described below must also be met before revenue is recognized.

The Company has following streams of revenue:

(i) Revenue from Engineering, Procurement and Construction contracts

Engineering, Procurement and Construction contracts are contracts (or a group of contracts secured together) specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Company identifies distinct performance obligations in each contract. For most of the project contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

The Company may promise to provide distinct goods or services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Company uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date.

The Company recognizes revenue over time as it performs because of continuous transfer of control to the customer. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process as evidenced either by contractual termination clauses or by the rights of the Company to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternative use.

The Company uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

The Company estimates variable consideration amount which it expects to be entitled under the contract and includes it in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognized will not occur and when the uncertainty associated with it is subsequently resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Costs associated with bidding for contracts are charged to the Statement of profit and loss when they are incurred. Costs that relate directly to a contract and are incurred in securing the contract are included as part of the contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are not distinct from the existing contract due to the significant integration service provided under the contract prior to modifications and are therefore, accounted for as part of the existing contract. The effect of a contract modification is recognized as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Company recognizes the expected losses from onerous contract as an expense immediately. Penalties for any delay or improper execution of a contract are recognized as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

On the balance sheet date, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognized profits (less recognized

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

losses) exceed progress billings; a contract represents a liability where the opposite is the case.

(ii) Revenue from sale of goods

If the criteria for revenue under over-a-period of time as mentioned above are not met, the company recognizes revenue at point-in-time. The point-in-time is determined when the control of the goods is transferred which is generally determined based on when the significant risk and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right of payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where the control has been transferred. The Company provides for warranty provision for general repairs up to 12-24 months on its products sold, in line with the industry practice. A liability is recognized at the time the product is sold. The Company does not provide any extended warranties.

(iii) Revenue from Sale of services

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized as the related services are performed on a time proportion basis under the contracts.

Estimates and assumptions

Constructions contracts

- Provisions for liquidated damages claims (LD's): The Company provides for LD claims where there have been significant contract delays and it is considered probable that the customer will successfully pursue such a claim. This requires an estimate of the amount of LD's payable under a claim which involves a number of management judgements and assumptions regarding the amounts to recognize.
- Project cost to complete estimates: at each reporting date, the Company is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, work-in-progress, billings in excess of costs and estimated earnings and accrued contract expenses.
- Recognition of contract variations: the Company recognises revenues and margins from contract variations where it is considered probable that they will be awarded by the customer and this requires management to assess the likelihood of such an award being made by reference to customer communications and other forms of documentary evidence.
- Provision for onerous contracts: The Company provides for future losses on long-term contracts where it is considered probable that the contract costs are likely to exceed revenues in future years. Estimating these future losses involves a number of assumptions about the achievement of contract performance targets and the likely levels of future cost escalation over time.

Judgements

Revenue recognition on construction contracts

A significant portion of the Company's business relates to construction of assets which are accounted using percentage-of-completion method, recognizing revenue as the performance on the contract progresses. This requires Management to make judgement with respect to identifying contracts which need to be accounted under percentage-of-completion method, depending upon the level of customization and the period of the fulfilment of the performance obligations under the contract. The percentage-of-completion method requires Management to make significant estimates of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

(a) Revenue from contracts with customers:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from services	5,109.44	10,645.74
Revenue from projects and products	-	1,255.49
Total revenue from contracts with customers (a)	**5,109.44**	**11,901.23**

(b) Other operating Revenue

	For the year ended March 31, 2025	For the year ended March 31, 2024
Sale of scrap	83.86	144.02
Exchange fluctuation gain (net)	14.27	5.67
Total other operating revenue (b)	**98.13**	**149.69**
Total revenue from operations [(a) + (b)]	**5,207.57**	**12,050.92**

(c) Disclosure pursuant to Ind AS 115: Revenue from contracts with customers

i) Revenue by category of contracts:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Over a period of time basis	2,106.80	8,728.21
At a point-in-time basis	3,002.64	3,173.02
Total revenue from contracts with customers	**5,109.44**	**11,901.23**

Revenue by geographical market

	For the year ended March 31, 2025	For the year ended March 31, 2024
Within India	1,979.32	7,314.20
Outside India	3,130.12	4,587.03
Total revenue from contracts with customers	**5,109.44**	**11,901.23**

ii) Contract balances

Accounting Policy

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional and are transferred to Trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Contract liability: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and customer advances.

The following table provides information about contract balances from contracts with customers as at the reporting date:

	As at March 31, 2025	As at March 31, 2024
Trade receivables (note 5 (a))	1,533.13	2,845.72
Unbilled revenue (Contract asset) (note 11 (b))	55.30	1,112.55
Unearned revenue (Contract liability) (note 17)	170.67	654.12
Customer advances (Contract liability) (note 17)	349.74	998.71

Contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date on from projects and customised contracts. The Contract assets are transferred to Trade receivables when the rights become unconditional.

The Contract liabilities relate to the unearned revenue (excess of billings or invoicing over revenue) and advance consideration received from customers and performance obligations still to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company's cash position.

iii) Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the year:

	For the year ended March 31, 2025	For the year ended March 31, 2024
Unearned revenue	654.12	1,411.08
Customer advance	417.43	1,528.25

iv) Changes in unbilled revenue and unearned revenue for the year:

The explanation of the significant changes in the contract asset and the contract liability balances during the reporting period is presented in the table below

	For the year ended March 31, 2025	For the year ended March 31, 2024
Opening unbilled revenue [note 11 (b)]	**1,112.55**	**733.88**
Opening unearned revenue (note 17)	**654.12**	**1,476.72**
- Transfer of contract assets to receivable from opening unbilled revenue	1,098.16	671.69
- Increase in revenue as a result of changes in the measure of progress from the opening unearned revenue	654.12	1,411.08
- Transfer of contract assets to receivable	1,584.69	6,166.17
- Increase in revenue as a result of changes in the measure of progress	1,452.68	6,740.82
- Onerous loss during the period	12.80	172.33
- Others*	(15.05)	(59.56)
Closing unbilled revenue [note 11 (b)]	**55.30**	**1,112.55**
Closing unearned revenue (note 17)	**170.67**	**654.12**

* includes adjustments on account of onerous contracts, impairment allowance for the year etc

v) Performance obligations

Performance obligation in project or a group of projects which are contracted at or near same time and negotiated simultaneously, are combined for the purpose of evaluation. The Company has estimated that multiple commitments pertaining to engineering procurement and commissioning of such projects is as single performance obligation which is spread over different accounting periods.

Performance obligation for products are evaluated on standalone basis, recognised at point in time. Generally, performance obligations for such contracts have an original expected duration of one year or less.

There are no major contracts with customers which have significant financing component included within them and therefore there is no difference between the timing of satisfaction of performance obligation vis a vis the timing of the payment.

Remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	As at March 31, 2025	As at March 31, 2024
Amount of revenue yet to be recognised for contracts in progress	718.23	3,012.08

The Company expects that a significant portion of the remaining performance obligation will be met in next 12-24 months.

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts that have an original expected duration of one year or less.

vi) Reconciliation between revenue recognised in Statement of profit and loss and contract price

There is no significant variation between revenue recognised in Statement of profit and loss and contract price except price variation claims, which are considered to be part of contract price.

20 Other income

Accounting policy

(i) Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal.

(ii) Rental income

Rental income from operating leases (net of any incentives given to the lessee) is recognised on a straight-line basis over the lease term.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from financial assets at amortized cost	29.18	72.71
Interest income on plan asset (net) [note 18 (b)]	1.51	-
Other interest income*	691.88	22.91
Other non operating income:		
Gain on sale/discard of assets (net)	11.06	0.03
Fair value gain on mutual funds at fair value through profit or loss	179.34	96.37
Rent income (note 31 and 33)	69.23	65.50
Liabilities no longer required written back	77.06	232.06
Miscellaneous income	26.85	0.25
Total	**1,086.11**	**489.83**

* includes interest on income tax refund of Rs. 691.88 (March 31, 2024 : 22.35)

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

21 Projects bought outs and components consumed

	For the year ended March 31, 2025	For the year ended March 31, 2024
Inventories at the beginning of the year	-	124.94
Add: Projects bought outs and Components	1.67	597.30
	1.67	722.24
Inventories at the end of the year	-	-
Total	**1.67**	**722.24**

22 Employee benefits expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
Salaries and wages	1,612.05	2,653.19
Contribution to provident and other funds	32.47	125.93
Gratuity expense [note 18 (b)]	-	21.48
Staff welfare expenses	31.90	49.54
Total	**1,676.42**	**2,850.14**

23 Finance costs

Accounting policy

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense	21.59	14.55
Total	**21.59**	**14.55**

24 Depreciation and amortisation expense

	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation on property, plant and equipment (note 4(a))	17.20	19.97
Amortisation on other intangible assets (note 4 (b))	-	2.30
Total	**17.20**	**22.27**

25 Other expenses

	For the year ended March 31, 2025	For the year ended March 31, 2024
Consumption of stores and spare parts	1.47	73.90
Power and fuel	2.30	4.93
Freight and forwarding charges	0.28	40.83
Site expenses and contract labour charges	2,011.99	6,091.72
Drawing, design and technical service charges	-	1.17
Advertisement and sales promotion	4.41	5.39
Rent (note 31 and 33)	26.16	96.25
Rates and taxes	89.26	106.68
Insurance	2.92	4.11
Repairs and maintenance		
Plant and machinery	2.17	5.85
Others	0.25	3.78
Travelling and conveyance	80.70	200.58
Legal and professional fees (includes payment to statutory auditors; note 26)	204.08	217.98
Bad debts/ advances written off	488.69	92.49
Provision for impairment of financial assets (net of reversals)	(306.01)	(62.66)
Warranty expenses (net)	(13.00)	9.17
Corporate Social Responsibility expenditure (note 27)	29.59	28.38
Miscellaneous expenses (includes printing, communication, postage, security expense, etc.)	176.34	359.44
Total	**2,801.60**	**7,279.99**

26 Payment to statutory auditors

	For the year ended March 31, 2025	For the year ended March 31, 2024
As auditor		
Audit fee	10.96	16.34
Services relating to branch audit	18.75	17.69
In other capacity		
Other services (Reimbursement of expenses)	0.89	0.97
Total	**30.60**	**35.00**

27 Corporate Social Responsibility

	For the year ended March 31, 2025	For the year ended March 31, 2024
(a) Gross amount required to be spent by the Company during the year	29.59	28.38
(b) Amount approved by the board to be spent during the year	29.59	28.38
(c) Amount spent during the year (in cash)*	29.59	28.38
(d) Shortfall/ (excess) at the end of the year	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	NA	NA
(g) Nature of CSR activities	Education, Skill Development, Rural Development	Education, Skill Development, Rural Development
(g) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	29.59	28.38

* The amount is contributed to Thermax Foundation, India (refer note 33) which is engaged in the education of economically underprivileged children by addressing social discrimination through affirmative action, skill development and employability initiatives.

There is no shortfall in contribution for March 31, 2025 and March 31, 2024.

28 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity (net of income tax) is shown below:

During the year ended March 31, 2025

	Foreign currency translation	Retained earnings	Total
Foreign currency translation differences	(2.18)	-	(2.18)
Re-measurement (losses)/gains on defined benefit plans	-	(11.53)	(11.53)
Total	**(2.18)**	**(11.53)**	**(13.71)**

During the year ended March 31, 2024

	Foreign currency translation	Retained earnings	Total
Foreign currency translation differences	(29.46)	-	(29.46)
Re-measurement (losses)/gains on defined benefit plans	-	(11.31)	(11.31)
Total	**(29.46)**	**(11.31)**	**(40.77)**

29 Earnings Per Share (EPS)

Accounting policy

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the owners and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares (which includes the various stock options granted to employees).

The diluted potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (that is the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the authorization for issue of the financial statements by the Board of Directors.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Net profit attributable to the owners of the Company	964.01	1,150.79
Weighted average number of equity shares of Rs.10/- each (Nos.)	9,000,000	9,000,000
Basic EPS	10.71	12.79
Diluted EPS	10.71	12.79

30 Contingent liabilities

Accounting policy

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Provisions, contingent liabilities and contingent assets are reviewed at each reporting date

Judgements

Legal contingencies

The Company has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

a) Taxes

	For the year ended March 31, 2025	For the year ended March 31, 2024
Disputed GST and or VAT balances / liabilities	384.41	384.41
Income tax matters	30.76	30.76

There are certain laws suits, disputes etc., including commercial matters that arises from time to time in the ordinary course of business for which amounts are not quantifiable by the management. However, based on management's assessment under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", that the claims against the Company are not tenable/ probability of final outcome against the Company is low and therefore not disclosed as Contingent liability.

b) The Company has issued various guarantees for performance, advances etc. The management has considered the probability for outflow of the same to be remote and accordingly no amounts has been disclosed here.

c) Others

	For the year ended March 31, 2025	For the year ended March 31, 2024
Claims against the Company not acknowledged as debt*	262.19	262.19

* Includes a dispute arose between the company and its subcontractor, for alleged non-payment of an amount of Rs. 367. Whereby in August 2023, the MSMEFC Cuttack, Odisha (council) passed an order against the company ordering to pay to the subcontractor an amount of Rs. 345 (principal plus interest) , despite having no jurisdiction to entertain the claims of the subcontractor. Further, the award was passed by the council without following the due process under the Arbitration and Conciliation Act, 1996. The Company has challenged the award before the Hon'ble High Court of Odisha by way a writ petition for setting aside the award and the Hon'ble Court passed an order granting a stay on the execution of the award through its order dated November 02, 2023. The writ petition is listed for next hearing on May 12, 2025 and the company has also filed a section 34 petition under the Arbitration and Conciliation Act, 1996, before the Hon'ble commercial court, at Cuttack for setting aside the award which is next listed for June 20, 2025.

Pursuant to an independent legal opinion, the Company is of view that no provision is necessary. The Company is reasonably confident of the issue

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

being ultimately decided in its favour.

31 Capital and other commitments

a) There are no estimated amounts of contracts remaining to be executed at the year end on capital account (March 31, 2024 : Rs. Nil).

b) Lease commitments

i) Company as lessee

Accounting policy

The Company's leases primarily consist of leases for land, buildings and office equipments. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). The Company applies the low-value asset recognition exemption on a lease-by-lease basis, if the lease qualifies as leases of low-value assets.

In making this assessment, the Company also factors below key aspects:

- The assessment is conducted on an absolute basis and is independent of the size, nature, or circumstances of the lessee.

- The assessment is based on the value of the asset when new, regardless of the asset's age at the time of the lease.

- The lessee can benefit from the use of the underlying asset either independently or in combination with other readily available resources, and the asset is not highly dependent on or interrelated with other assets.

If the asset is subleased or expected to be subleased, the head lease does not qualify as a lease of a low-value asset.

Based on the above criteria, the Company has classified leases as leases of low value assets.

Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

The Company has taken building, guest house, equipment and residential flats for employees at branches on cancellable operating lease and had taken office buildings on a short term cancellable operating lease from the Holding company. The tenure of such leases ranges from 1 to 3 years. Lease rentals are charged to the Statement of profit and loss for the year. There are no sub-leases. The leases are renewable on mutually agreeable terms. At the expiry of the lease term, the company has an option to terminate the agreement or extend the term by giving notice in writing. Since the contract is a cancellable contract, the entity has elected to apply the exemption available to short term leases under Ind AS 116 and has recognised the lease payments associated with those leases as an expense.

	For the year ended March 31, 2025	For the year ended March 31, 2024
Lease payments for the year (Note 25)	26.16	96.25

ii) Company as lessor : Operating lease

Accounting policy

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized 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 recognized over the lease term on the same basis as rental income.

The Company has leased certain parts of its surplus office and manufacturing buildings. The tenure of such lease agreements ranges from 1 to 3 years. All leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions. Lease rentals are recognised in the statement of profit and loss for the year (Refer note 20).

	For the year ended March 31, 2025	For the year ended March 31, 2024
Lease rent received for the year (Note 20)	69.23	65.50

Since there are no non-cancellable operating leases entered by the Company, there are no committed future lease rental payables and receivables (March 31, 2025: Rs. Nil and March 31, 2024:Rs. Nil)

32 Segment reporting

Accounting policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The Board of Directors of the Company has identified the Manager of the Company as the chief executive decision maker of the Company.

Judgements

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Board of Directors has determined that the CODM is the Manager of the Company, based on its internal reporting structure and functions of the Company. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Manager to assess performance and allocate resources. The management has determined that some of the segments exhibit similar economic characteristics and meet other aggregation criteria and accordingly aggregated into one reportable segment i.e. Industrial Infra.

Based on the guiding principles in "Ind AS 108- Operating Segments", the Company's business activity falls within one operating segment, i.e. Industrial infra, and therefore no separate segment information is disclosed.

Based on the guiding principles in "Ind AS 108- Operating Segments", the Company's business activity falls within one operating segment, i.e. Industrial infra, and therefore no separate segment information is disclosed.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Information of geographical areas-

(i) Sales revenue by geographical markets refer note 19

(ii) Non current assets by geographical segments*

	For the year ended March 31, 2025	For the year ended March 31, 2024
Within India	2,814.78	2,935.48
Outside India	1.38	0.67
Total	**2,816.16**	**2,936.15**

*Non current assets includes all non-current assets other than financial instruments and deferred tax assets.

33 Related party disclosures

A Holding Company and Ultimate Holding Company

No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest		Type
			As at March 31, 2025	As at March 31, 2024	
1	RDA Holdings Private Limited	India	0%	0%	Ultimate holding company
2	Thermax Limited	India	100%	100%	Holding company

B Fellow Subsidiaries with whom transactions have taken place during the year :

No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Babcock and Wilcox Energy Solutions Limited	India
2	Thermax Onsite Energy Solutions Limited	India
3	Thermax Bioenergy Solutions Private Limited	India
4	Thermax Cooling Solutions Limited	India

C Entities controlled by Holding company other than 'B' above with whom transactions have taken place during the year :

No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax International Tanzania Limited	Tanzania

D. Key management Personnel:

1 Mr. Ajit Sharma - Chief Financial Officer (w.e.f. July 29, 2024)

2 Mr. Sudhir Lale - Company Secretary

3 Mr. Rajendran Arunachalam - Director

4 Mr. Ravinder Advani - Director (till April 24, 2024)

5 Mr. Kirtiraj Jilkar - Director

7 Mr. Sandeep Deshpande - Director (w.e.f. April 18, 2024)

6 Mr. Ramachandra Bharathi - Manager (till March 31, 2025)

E Individuals having control or significant influence over the Company by reason of voting power, and their relatives:

1 Mrs. Meher Pudumjee - Chairperson of Holding Company

2 Mrs. Anu Aga - Relative of Chairperson of Holding Company

3 Mr. Pheroz Pudumjee - Director of Holding Company

4 Mr. Zahaan Pudumjee - Relative of Chairperson of Holding Company

5 Ms. Lea Pudumjee - Relative of Chairperson of Holding Company

F Enterprise, over which control is exercised by individuals listed in 'E' above:

	Name of the entity	Place of business/ Country of incorporation
1	Thermax Foundation	India

Transactions during the year

Particulars	Holding Company - Thermax Limited		Entities controlled by Holding company		Key Management Personnel and Individuals mentioned in E		Total	
	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024	For the year ended March 31, 2025	For the year ended March 31, 2024
Sales of services	2,271.65	3,141.61	-	-	-	-	**2,271.65**	**3,141.61**
Sale of products & projects	-	141.42	-	-	-	-	**-**	**141.42**
Rent income	65.63	62.50	-	-	-	-	**65.63**	**62.50**
Sale of scrap	6.91	44.53	-	-	-	-	**6.91**	**44.53**
Recovery of expenses	142.75	517.47	-	1.59	-	-	**142.75**	**519.06**
Credit balance appropriated	-	38.73	-	-	-	-	**-**	**38.73**
Purchase of project bought-out and components	-	9.50	-	25.80	-	-	**-**	**35.30**
Issue of redeemable preference shares	-	1,700.00	-	-	-	-	**-**	**1,700.00**
Reimbursement of expenses	380.81	215.56	-	-	-	-	**380.81**	**215.56**
Remuneration to key management personnel (Refer details below)	57.22	30.51	-	-	-	-	**57.22**	**30.51**
Donation	-	-	29.59	28.38	-	-	**29.59**	**28.38**
Other expenses	177.71	141.86	38.74	-	-	-	**216.45**	**141.86**
Dividend Expenses	2,500.00	450.00	-	-	-	-	**2,500.00**	**450.00**
Rent paid	5.00	60.50	-	-	-	-	**5.00**	**60.50**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Related party transactions include transactions pertaining to the following parties other than Holding Company:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Purchase of project bought-out and components		
Thermax Babcock and Wilcox Energy Solutions Limited	-	25.80
Other expenses		
Thermax Babcock and Wilcox Energy Solutions Limited	38.74	-
Recovery of expenses		
Thermax Cooling Solutions Limited	-	1.59
Donation		
Thermax Foundation	29.59	28.38

Remuneration to key management personnel

Salary/ Retainership fees reimbursed to Thermax Limited #		
Mr. Ajit Sharma	22.51	-
Mr. Sudhir Lale	34.71	30.51

This does not include provision made for gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

Terms and conditions of related party transactions

The sales and purchases to/ from related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

For the year ended March 31, 2025 and March 31, 2024, the Company has recorded an impairment of receivables relating to amounts owed by related parties as per the policy.

Balances as at the year end

Particulars	Holding Company - Thermax Limited		Entities controlled by Holding company		Total	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Trade receivables^	718.59	1,182.74	151.94	122.87	**870.53**	**1,305.61**
Other receivable	-	16.94	-	13.69	**-**	**30.63**
Borrowings (10% Redeemable preference shares)	1,700.00	1,700.00	-	-	**1,700.00**	**1,700.00**
Trade payables	121.32	39.21	38.91	17.64	**160.23**	**56.85**
Other payables	44.05	65.26	6.03	-	**50.08**	**65.26**
Revenue received in advance	164.18	894.05	-	3.36	**164.18**	**897.41**
Unbilled Revenue	15.42	965.48	-	-	**15.42**	**965.48**
Unearned Revenue	166.16	175.09	-	9.58	**166.16**	**184.67**
Guarantee/ letter of comfort received	1,000.00	8,000.00	-	-	**1,000.00**	**8,000.00**

^ Before impairment provision Rs. 111.11 (March 31, 2024: 164.85)

Balances pertaining to the following parties other than Holding Company:

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables^		
Thermax Cooling Solutions Limited	26.01	-
Thermax International Tanzania Limited	125.93	122.87
Other receivable		
Thermax Bioenergy Solutions Private Limited	-	1.29
Thermax Cooling Solutions Limited	-	12.40
Trade payables		
Thermax Babcock and Wilcox Energy Solutions Limited	24.37	17.64
Thermax Cooling Solutions Limited	14.54	-
Other payables		
Thermax Cooling Solutions Limited	6.03	-
Revenue received in advance		
Thermax Onsite Energy Solutions Limited	-	3.36
Unearned Revenue		
Thermax Onsite Energy Solutions Limited	-	9.58

There are no outstanding balances in respect of entities controlled by key management personnel and individuals mentioned in E.

Terms and conditions for outstanding balances

All outstanding balances are unsecured, interest free and repayable in cash except the guarantee/letter of comfort received.

34 Fair value measurements

Estimates and assumptions

Fair value measurement of unquoted financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of assumption is required in establishing fair values. Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

a) Category of financial instruments and valuation techniques

Break-up of financial assets carried at amortised cost

	As at March 31, 2025	As at March 31, 2024
Trade receivables	1,533.13	2,845.72
Cash and cash equivalents	479.05	453.02
Bank balances other than cash and cash equivalents	-	1,371.13
Loans	-	0.93
Other financial assets	117.84	1,170.76
Total	**2,130.02**	**5,841.56**
Current assets	2,128.88	5,840.42
Non-current assets	1.14	1.14
Total	**2,130.02**	**5,841.56**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit or loss

	As at March 31, 2025	As at March 31, 2024
Investments	2,226.98	1,223.00
Total	**2,226.98**	**1,223.00**
Current assets	2,226.98	1,223.00
Non-current assets	-	-
Total	**2,226.98**	**1,223.00**

The fair values of the mutual funds are based on price quotations at the reporting date.

Break up of financial liabilities carried at amortised cost

	As at March 31, 2025	As at March 31, 2024
Trade payable	1,656.65	2,697.69
Other liabilities	227.06	354.79
Total	**1,883.71**	**3,052.48**
Current liabilities	1,883.71	2,685.05
Non current liabilities	-	367.43
Total	**1,883.71**	**3,052.48**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial liabilities carried at fair value through profit and loss

	As at March 31, 2025	As at March 31, 2024
Borrowings (10% redeemable preference shares)	1,700.00	1,700.00
Other liabilities	-	-
Total	**1,700.00**	**1,700.00**
Current liabilities	-	-
Non current liabilities	1,700.00	1,700.00
Total	**1,700.00**	**1,700.00**

The fair values of the Company's interest-bearing borrowings are determined by using discounted cash flow method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own nonperformance risk as at March 31, 2025 and all comparative periods presented were assessed to be insignificant.

b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2025	2,226.98	-	-
Financial liabilities				
Borrowings	March 31, 2025	-	-	1,700.00

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2024	1,223.00	-	-
Financial liabilities				
Borrowings	March 31, 2024	-	-	1,700.00

There has been no transfer between level 1 and level 2 during the year.

35 Financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company's borrowings and investments are designated as financial liabilities and assets through profit or loss respectively.

Risk is inherent in the Company's activities but it is managed through a process of on going identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the years ended March 31, 2025 and March 31, 2024.

I Market risk

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates, foreign exchange rates and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all investments traded in the market.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not currently exposed significantly to such risk.

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(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

b Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency) and the Company's foreign operations through its branches at Philippines, Zambia and Sharjah.

The following table demonstrates the sensitivity to a reasonably possible change in USD exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of assets and liabilities. The impact is stated in Rupees (denominated in Lakh) below:

	As at March 31, 2025	As at March 31, 2024
INR/ US$		
Decrease in US$ rate by 5%	(56.71)	(49.51)
Increase in US$ rate by 5%	56.71	49.51
INR/ CNY		
Decrease in CNY rate by 5%	2.42	2.38
Increase in CNY rate by 5%	(2.42)	(2.38)

The exposure to other foreign currencies is not significant to the Company's financial statements as all the undistributed profits at the overseas branches are maintained and/ or repatriated to India in US$.

II 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 financing activities, including deposits with banks and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and bank deposits

Credit risk from balances with banks and mutual funds is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for bank balances and deposits as at March 31, 2025 and March 31, 2024 is the carrying amounts as disclosed in Note 9(a) and 9(b), maximum exposure relating to financial guarantees is disclosed in note 30(b).

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

Particulars	Less than 1 year	1 to 3 years	More than 3 years	Total
As at March 31, 2025				
Borrowings	-	-	1,700.00	1,700.00
Trade payables	1,656.65	-	-	1,656.65
Other financial liabilities :				
Employee related payables	112.10	-	-	112.10
Customer deposits	63.97	-	-	63.97
Other payables	50.99	-	-	50.99
	1,883.71	**-**	**1,700.00**	**3,583.71**
As at March 31, 2024				
Borrowings	-	-	1,700.00	1,700.00
Trade payables	2,330.26	367.43	-	2,697.69
Other financial liabilities :				
Employee related payables	226.35	-	-	226.35
Customer deposits	62.42	-	-	62.42
Other payables	66.02	-	-	66.02
	2,685.05	**367.43**	**1,700.00**	**4,752.48**

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

36 Key Financial Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024:

Particulars	Numerator	Denominator	FY 2024-25	FY 2023-24	Variance	Management response > 25%
Current ratio	Current assets	Current liabilities	1.77	1.79	(0.85%)	
Return on equity ratio	Profit after tax	Average shareholder's equity	22.68%	24.48%	(7.35%)	
Trade receivable turnover ratio	Revenue from contracts with customers	Average trade receivables	2.33	2.78	(16.00%)	
Trade payables turnover ratio	Total supplier purchases#	Average trade payables	1.21	2.25	(46.16%)	Refer 36(a)
Net capital turnover ratio	Revenue from contracts with customers	Working capital *	2.51	3.24	(22.56%)	
Net profit ratio	Profit after tax	Revenue from contracts with customers	18.87%	9.67%	95.12%	Refer 36(b)
Return on capital employed (ROCE)	Profit before tax and finance cost	Capital employed **	34.72%	24.52%	41.60%	Refer 36(c)
Return on investment (ROI)	Income generated from invested fund***	Average invested fund****	8.65%	6.77%	27.72%	Refer 36(d)
Debt-equity ratio	Total debt	Shareholder's equity	0.49	0.34	44.60%	Refer 36(e)
Inventory turnover ratio	Cost of goods sold	Average inventories	NA	11.56	100.00%	
Debt service coverage ratio	Earnings available for debt service	Debt service	NA	NA	NA	

Explanations:

* Total current assets - Total current liabilities.

** Total equity + Non-current borrowings + Deferred tax liability.

*** Income generated from interest from Fixed Deposits with banks and gain from Mutual Fund investments

**** Average fund = (Opening investment + Opening balances with banks other than Cash and cash equivalent) + (Closing investment + Closing balances with banks other than Cash and cash equivalent) / 2

Total supplier purchases include project bought-outs, other expenses and staff welfare expenses.

36(a) Decrease due to decrease in purchases in line with decrease in turnover.

36(b) Increase in net profit ratio is majorly on account of interest income on Income tax refund received during current year for AY 2010-11, AY 2011-12 and AY 2021-22.

36(c) Increase in ROCE ratio due to decrease in capital employed majorly due to payment of dividend to equity shareholders of Rs. 2,500 in current year.

36(d) Increase in ROI ratio largely attributable to increase in income from investments.

36(e) Increase in debt to equity ratio due to decrease in capital employed majorly due to payment of dividend to equity shareholders of Rs. 2,500 in current year.

37 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long- term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the years ended March 31, 2025 and March 31, 2024. Capital represents equity attributable to Parent Company and is measured at Rs 3,474.94 (March 31, 2024: Rs. 5,024.64).

	As at March 31, 2025	As at March 31, 2024
Borrowings (note 14)	1,700.00	1,700.00
(Less): Cash and cash equivalents (includes deposits with original maturity of more than 3 months but less than 12 months) note 9 (a) and 9 (b)]	(479.05)	(1,824.15)
Net (surplus)/ debt	**1,220.95**	**(124.15)**
Equity	3,474.94	5,024.64
Capital and net debt	**4,695.89**	**4,900.49**
Capital gearing ratio	**35.14%**	**NA**

38 Struck off companies

There are no shares held in struck off companies. For the year ended March 31, 2025 there are no transactions with struck off companies and no balances are outstanding as on year end.

Below are details of investment, receivable, payable and any other transactions outstanding with stuck off companies for the period ended March 31, 2024:

Name of stuck off company	Nature of other outstanding balances	Transaction during the year	Balance outstanding at the end of the year	Relationship with the struck off Company, if any, to be disclosed
Optima Erectors Pvt. Ltd.	Trade payables	9.79	-	None

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

39 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property;

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period;

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year;

(iv) (A) The Company has not advanced or loaned or invested funds to any other person or entity, 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;

(B) 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 Company 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;

(v) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961);

(vi) The Company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

40 Compliance with section 143(3) for maintenance of books of account

(a) With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the backup of such books of account.

The status of compliance for each of its locations and for all the IT applications are summarised in the below table:

Requirements u/s 143(3) of the Act.	Foreign Branches	India operations
Books of Account maintained on cloud/ servers physically located in India	No	Yes
Backup maintained in India on daily basis	No	Yes

The Company will take appropriate measures to comply with regulations.

(b) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except for the following:

- Accounting softwares used at three foreign branches do not have an audit trail (edit log) facility and the same did not operate throughout the year for all relevant transactions recorded in the softwares;
- Audit trail feature for changes to master data in Oracle application is not enabled;
- Audit trail feature for changes to the Oracle Database 19c made using privileged/ administrative access rights.

Further no instances of audit trail feature being tampered with were noted in respect of accounting softwares where audit trail was enabled. Additionally, the audit trail of prior year(s) for India operations has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

For three branches, the Company did not record audit trail in respect of the year(s) ended March 31, 2025 and March 31, 2024. Additionally, the audit trail in respect of the financial years March 31, 2025 and March 31, 2024 has not been preserved by the company as per the statutory requirements for record retention.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg No.324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership No. 135859

Place: Pune
Date: May 05, 2025

For and on behalf of the Board of Directors of
Thermax Instrumentation Limited

Kirtiraj Jilkar
Director
DIN: 09675574

Rajendran Arunachalam
Director
DIN: 08446343

Ajit Sharma
Chief financial officer

Sudhir Lale
Company Secretary

Place: Pune
Date: May 05, 2025

Thermax Onsite Energy Solutions Limited

Board of Directors
Ashish Bhandari
Hemant Mohgaonkar (upto November 27, 2024)
Rajendran Arunachalam
Indu Jacob (upto October 8, 2024)
Arun Unni (w.e.f. November 27, 2024)
Khushboo Bhatia (w.e.f. December 30, 2024)

Registered Office
Thermax House, 14, Mumbai-Pune Road,
Wakdewadi, Pune - 411003

Auditors
SRBC & Co. LLP
Chartered Accountants
C-401, Panchshil Tech Park,
Yerwada, Pune-411006, India

Key Managerial Personnel
Mandar Danedekar (Chief Financial Officer)
(w.e.f. April 1, 2025)
Deepak Joshi (Chief Financial Officer)
(upto March 31, 2025)
Khushboo Bhatia (Chief Executive Officer)
Kajal Kabra (Company Secretary)

Bankers
HSBC Bank
ICICI Bank

Corporate Office
Eco House, Plot No D-13 R.D. Aga Road,
MIDC Sec 2 Industrial Area,
MIDC Chinchwad, Pune – 411019

DIRECTORS' REPORT

Dear Shareholder,

The Directors present the Sixteenth Annual Report of the Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	56,234.31	45,753.38
Profit before depreciation and interest	5,989.58	4,472.29
Depreciation	68.59	50.33
Interest	1035.22	923.08
Profit before tax	4,885.77	3,498.88
Provision for taxation (incl. deferred tax)	1,255.98	905.12
Profit after tax	3,629.79	2,593.76

STATE OF COMPANY'S AFFAIRS

During the year, the Company earned a total income of Rs 56,234.31 lakh (previous year Rs. 45,753.38 lakh). Profit before tax stood at Rs. 4,885.77 lakh (previous year Rs. 3,498.88 lakh) and profit after tax was Rs. 3,629.79 lakh (previous year Rs. 2,593.76 lakh).

The Company registered revenue of Rs. 56,234.31 lakh as increase of 23% over last year. The Company continued its growth trajectory and registered a 26 % growth in orders. Order balance increased by Rs. 8383 lakh at 66,210 lakh. Through the orders won for the Financial year 2024-25, the Company added new accounts to its customer base.

During the Financial Year 2024-25, the Company successfully executed its first green steam supply project in Sri Lanka for a global food major under the Build-Own-Operate model. The Company also commissioned three large biomass boiler plants for green steam supply to the global food major in Gujarat, Karnataka and Punjab. Under this model, the Company commissioned a green steam supply project for a repeat customer – a multinational confectionery company in Uttarakhand, a biomass boiler plant for green steam supply to drugs and pharmaceutical major in Gujarat and a zero liquid discharge plant to a steel major in Uttar Pradesh.

With more reputed companies choosing to practice sustainability and focusing on achieving their net-zero goals, it is expected to create opportunities for supply of biomass-based energy, treated water as well as zero liquid discharge and desalination projects. The company, in line with its globalization strategy continued concentrated efforts in offering outsourced utilities in the South East Asia and South Asia market.

HEALTH AND SAFETY

The Company has ensured focused and continuous improvement on its Safety, Health & Environment during FY 2024-25. The Company successfully completed external surveillance audit of ISO 45001:2018 for Safety and ISO 14001:2015 for Environment Management System through DNV during last year and conducted cross audit (2nd party audit) at sites. The Company conducted ISO 45001 & ISO14001 standards certified internal auditor training by external faculty for employees and conducted certified first aid & fighter training by external faculty for site teams. The Company implemented new standards like permit to work, incident investigation, life-saving rules & fair consequence management procedures, CCTV installations for monitoring safe operations & AI based CCTV for monitoring PPE compliances. The Company continued with Behavior Based Safety (BBS) for improving the safety culture across sites, along with operation safety campaigns such as near miss reporting, monsoon safety, Lock-Out-Tag-Out (LOTO), etc. to enhance awareness towards safety. The company has started 5S certification of the sites for enhancing the work place safety and productivity. 5 Sites have been certified by external agency.

The Company has implemented new initiatives to improve safety metrics across its sites including automation of manual activities. Celebrations were conducted across sites for World Environment Day, 54th National Safety Week and Road Safety Week. The Company received appreciation for promoting safety culture and providing services with zero accidents from customers

MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

DIVIDEND

The directors do not recommend any dividend on equity shares during year.

AMOUNT PROPOSED TO BE CARRIED TO RESERVES

The Company does not propose to carry any amount to reserves.

SHARE CAPITAL

During the year there were no changes in the capital structure of the Company. The Paid-up Share Capital of the Company as on March 31, 2025 is Rs. 1,08,28,00,000 divided into Equity Shares of Rs. 10,82,80,000 of Rs.10 each.

The Company has not issued shares with differential voting rights nor has it granted any stock options or sweat equity.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company has two wholly owned subsidiaries named Enernxt Private Limited and Thermax Energy & Environment Lanka Private Limited (TEELK).

The annual accounts of the subsidiary companies and related detailed information are available to the shareholders of the holding and subsidiary Company as well as to the statutory authorities. On request, these documents will be made available for inspection at the Company's Registered office.

HIGHLIGHT OF PERFORMANCE OF SUBSIDIARIES

Enernxt Private Limited is under construction phase and commissioning of the plant is planned in Sep-2025. The Company will start commercial production of Bio CNG Gas thereafter post the trial run. Plant commissioning has been

delayed due to technical hurdles, and our technology partner is actively addressing these challenges.

TEELK has one order of supply of steam in Sri Lanka and plant construction is in progress. The plant has been commissioned and the operations are running smoothly.

PUBLIC DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013 (the 'Act').

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of guarantees and investments covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

VIGIL MECHANISM /WHISTLE BLOWER POLICY

The Company has a vigil mechanism named 'Whistleblower Policy' to deal with instances of fraud and mismanagement. The Board of the Company looks after the whistle blower mechanism and thus direct access to the Chairman of the Board in exceptional or appropriate cases would be provided in the said mechanism.

BUSINESS RISK MANAGEMENT

The Company is engaged in the business of providing environment friendly utilities (steam, heat, water, chilled water and others) to its customers. Risk is affected by macro-economic factors like interest rates, crude oil prices, forex currency fluctuations, electricity and other energy prices and their availability. It is also susceptible directly and indirectly to government policies related to renewable energy and conservation of natural resources. Global trends which affect customer's industries also tend to have a cascading effect on the Company's business.

The Company follows a structured risk management process supported by a Risk Management framework to manage risks emanating from external factors and internal actions. Risk Management is ingrained in the operations of the various functions of the Company. During the year the Company conducted Company-wide risk management reviews at regular intervals to ensure compliance to its Risk Management framework and to identify areas for improving the same.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal controls are reviewed by Internal Audit Department of the holding Company on a periodical basis. All significant and material observations emerging out of Internal Audit are regularly reported to the Board and follow-up measures are taken.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As a part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects mainly in the area of eradicating poverty. The projects are in accordance with Schedule VII of the Companies Act, 2013. The CSR initiatives have been undertaken through Thermax Foundation. The detailed report on CSR is annexed as Annexure 1.

KEY MANAGERIAL PERSONNEL (KMP)

During the year, Mr. Deepak Joshi, the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company, resigned on March 31, 2025. Following his resignation, the Board of Directors appointed Mr. Mandar Dandekar as the new CFO and KMP, effective April 1, 2025.

DIRECTORS

Currently, the Board of the Company comprises of Four Directors. In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Ashish Bhandari (DIN: 05291138), retires by rotation and being eligible, offers himself for re-appointment.

Following are the changes in Board composition during FY 2024-25.

Sr. No.	Name of Director	Appointment/ Resignation	Directorship/ Category	Effective date	Whether the change has been approved by members
1.	Ms. Indu Jacob (DIN: 05293084)	Resignation	Non- Executive Director	October 8, 2024	Not Required
2.	Mr. Hemant Mohgaonkar (DIN: 01308831)	Resignation	Non- Executive Director	November 27, 2024	Not Required
3.	Mr. Arun Unni (DIN: 10831177)	Appointment	Additional Non- Executive Director	November 27, 2024	Will be regularized in the upcoming AGM
4.	Ms. Khushboo Bhatia (DIN: 09019736)	Appointment	Whole Time Director	December 30, 2024	Will be regularized in the upcoming AGM

BOARD MEETINGS

The Board met six times on May 2, 2024, July 25, 2024, October 28, 2024, December 30, 2024, January 29, 2025 and March 20, 2025 during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Details of meetings attended by the members are as follows:

Board Members	Dates of Board Meeting					
	May 2, 2024	July 25, 2024	October 28, 2024	December 30, 2024	January 29, 2025	March 20, 2025
Mr. Rajendran Arunachalam	P	P	P	P	P	P
Mr. Ashish Bhandari	P	P	P	P	P	P
Ms. Indu Jacob*	P	P	NA	NA	NA	NA
Mr. Hemant Mohgaonkar*	P	P	A	NA	NA	NA
Mr. Arun Unni #	NA	NA	NA	P	P	P
Ms. Khushboo Bhatia #	NA	NA	NA	NA	P	P

*Ceased during the year #Appointed during the year NA: Not Applicable
P: Present A: Absent

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors have prepared the annual accounts on a going concern basis; and

(e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Thermax Onsite Energy Solutions Limited

SECRETARIAL STANDARDS

The Company follows the Secretarial Standards issued by the Institute of Company Secretaries of India on the Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2). The Company is in compliance with these secretarial standards.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its performance and of its individual Directors.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

CONSERVATION OF ENERGY

The Company is in the business of providing utilities generated through renewable energy sources to its clients. This activity directly helps its clients to reduce their Carbon Footprint.

TECHNOLOGICAL ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134(3)(m) of the Companies Act, 2013 is as follows:

	(Rs. in lakh)
Foreign exchange earnings	NIL
Foreign exchange outgo	NIL

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, duly amended, in respect of employees of the company, will be provided upon request. In terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members and others entitled to receive it. Any shareholder interested in obtaining such particulars may write to the Company Secretary. The information is also available for inspection at the registered office during working hours up to the date of the Annual General Meeting.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. The Company has constituted Prevention of Sexual Harassment (POSH) Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

STATUTORY AUDITORS

SRBC & CO. LLP Chartered Accountants (Firm Registration No.324982E/E300003) have been re-appointed as Statutory Auditors of the Company for a period of Five years commencing from the conclusion 15th Annual General Meeting (AGM) until the conclusion of the 20th Annual General Meeting.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

COST AUDITORS

In terms of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune, have been appointed as the cost auditors of the Company for FY 2024-25.

COST RECORDS

The maintenance of cost records as specified under Section 148 of the Act, is applicable to the Company and accordingly all the cost records are made and maintained by the Company and audited by the cost auditors.

SECRETARIAL AUDITORS

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed M/s. Amit Jaste & Associates, Company Secretaries, Mumbai, to undertake the secretarial audit of the Company for FY 2024-25.

The Secretarial Audit Report for FY 2024-25 is attached as Annexure 2. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE ACT

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

ANNUAL RETURN

The Company does not have any official website, hence provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 are not applicable.

RESTRICTION ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company its Directors or Key Managerial Personnel, for purchase or subscribe shares of the Company.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. During the year under review there is no instance of onetime settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support extended by the company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of
Thermax Onsite Energy Solutions Limited

Place: Pune,
Date: April 30, 2025

Rajendran A.
Director
DIN: 08446343

Arun Unni
Director
DIN: 10831177

ANNEXURE 1

ANNUAL REPORT ON CSR ACTIVITIES AND CSR POLICY

1. A Brief outline on CSR Policy of the Company

Thermax Onsite Energy Solutions Limited is a wholly owned subsidiary of Thermax Limited, an engineering Company operating in the critical areas of energy & environment, is committed to contribute to the welfare of the community in which it is situated. Being a wholly owned subsidiary of Thermax Limited, it has been decided that the CSR policy of the Company will be aligned with the CSR policy of Thermax Limited and the CSR activities of the Company shall be conducted through Thermax Foundation (TF).

2. Composition of CSR Committee:

Pursuant to the Companies Amendment Act, 2020 and notification dated January 22, 2021, where the amount spent by a Company on CSR does not exceed fifty lakh rupees the requirement for constitution of the CSR Committee should not be applicable. Therefore, since the CSR contribution made by the Company in FY 2024-25 did not exceed Rs. 50 lakhs, CSR committee will be not applicable.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company — **https://www.thermaxglobal.com/corporate-governance-policies-and-disclosures/**

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. — **NA**

if applicable (attach the report).

5. (a) Average net profit of the Company as per sub-section (5) of section 135: Rs. 24,59,87,537.64

(b) Two percent of average net profit of the Company as per sub-section (5) of section 135: Rs. 49,19,800

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years: NA

(d) Amount required to be set-off for the financial year, if any: NA

(e) Total CSR obligation for the financial year [(b)+(c)- (d)]: Rs. 49,19,800

6. (a) Amount spent on CSR Projects (both ongoing projects and other than ongoing projects): Rs. 49,19,800

(b) Amount spent in Administrative Overheads: Nil

(c) Amount spent on Impact Assessment, if applicable: NA

(d) Total amount spent for the Financial Year [(a)+(b) +(c)]: Rs. 49,19,800

(e) CSR amount spent or unspent for the Financial Year:

Total amount Spent for the Financial Year. (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount transferred to Unspent CSR Account as per sub section (6) of Section 135.		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
Rs. 49,19,800	Not Applicable				

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	Rs. 49,19,800
(ii)	Total amount spent for the Financial Year	Rs. 49,19,800
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	-
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficie ncy, if any
					Account under sub-section (6) of section 135 (in Rs.)	Amount (in Rs.)		
NIL								

Thermax Onsite Energy Solutions Limited

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

○ Yes ⊘ No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pin code of the property or asset(s)	Date of creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered address
Not Applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per sub section (5) of section 135.

Place: Pune
Date: April 30, 2025

Khushboo Bhatia
(Chief Executive Officer)

Rajendran A.
(Chairman of the Board)

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Thermax Onsite Energy Solutions Limited
Thermax House, 14, Mumbai Pune Road,
Wakdewadi, Pune MH 411003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Thermax Onsite Energy Solutions Limited (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company through online access provided by the Company via Microsoft Sharepoint and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; (not applicable to the Company during the Audit period)

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; (not applicable to the Company during the Audit period)

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment;

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- (Following sub-clauses (a) to (h) are not applicable to the Company during the Audit period as Company continues to be a Unlisted Public Company in its Articles under Section 2(71) of the Act)

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

(vi) Following important specific laws applicable to the Company, as confirmed by the Company were substantially complied with:

   a. The Boilers Act, 1923

   b. The Environment (Protection) Act, 1986

   c. The Contract Labour (Regulation and Abolition), Act 1970

   I have also examined compliance with applicable clauses of the following:

   a. Secretarial Standards (SS.1 relating to meetings of Board of Directors & SS.2 relating to General Meetings) issued by the Institute of Company Secretaries of India.

   b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; (Not applicable to the Company during the Audit Period)

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except when meetings were called at shorter notice as permitted u/s. 173(3) of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings were carried out unanimously as recorded in the minutes of the meetings of Board of Directors.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- Board of Directors, at its meeting held on 30th December, 2024 appointed Ms. Khushboo Bhatia (09019736) as a Whole Time Director (Woman Director) of the Company.
- Board of Directors, at its meeting held on 29th January, 2025 has passed a resolution to provide loan of Rs. 10 Crores to its Wholly owned Subsidiary, Enernxt Private Limited.

For Amit Jaste & Associates
Practising Company Secretaries

Amit Jaste **FCS No.:7289**
Proprietor **CP No.:12234**

Date: April 30, 2025
Place: Mumbai

UDIN: F007289G000235528

Thermax Onsite Energy Solutions Limited

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report

ANNEXURE A

To,
The Members,
Thermax Onsite Energy Solutions Limited
Thermax House, 14, Mumbai Pune Road,
Wakdewadi, Pune MH 411003

Our report of even date to be read along with this letter..

1) Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Amit Jaste & Associates
Practising Company Secretaries

Amit Jaste **FCS No.:7289**
Proprietor **CP No.:12234**

Date: April 30, 2025
Place: Mumbai

UDIN: F007289G000235528

INDEPENDENT AUDITOR'S REPORT

To the Members of Thermax Onsite Energy Solutions Limited

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Thermax Onsite Energy Solutions Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone 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 audit opinion on the standalone financial statements.

Information Other than the Standalone 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 Director's report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Management for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Thermax Onsite Energy Solutions Limited

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

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

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to these standalone financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (i) 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 standalone financial statements – Refer note 28 to the standalone 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

   iv. a) The management has represented that, to the best of its knowledge and belief, 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, other than as disclosed in the note 37 to the standalone financial statements, 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; and

      c) Based on such audit procedures performed that have been 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. No dividend has been declared or paid during the year by the Company.

   vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain master data and direct changes to data, when using certain access rights, as described in note 38 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software. Additionally, the audit trail of relevant prior years has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 38 to the standalone financial statements

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

_____
per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYH3241
Place of Signature: Pune
Date: April 30, 2025

"Annexure 1" referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our Report of even date

Re: Thermax Onsite Energy Solutions Limited ("the Company")

In the terms of the information and explanations sought by us and given by the company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

(i) (a) In respect of the Company's Property, Plant and Equipment and Intangible Assets:

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

(B) The Company has maintained proper records showing full particulars of intangible assets

(b) All Property, Plant and Equipment have been physically verified by the management during the year, except IT Assets which are verified once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.

(c) According to the information and explanations given by the management, there is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

(ii) (a) The management has conducted physical verification of inventory at reasonable intervals during the year (except material and other components which are to be leased to customers under finance lease arrangements). In our opinion the coverage and procedure of such verification by the management is appropriate. There were no discrepancies of 10% or more noticed, in the aggregate for each class of inventory on such physical verification.

(b) The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the standalone financial statements, the half yearly statements filed by the Company is with such banks are in agreement with books of accounts of the company. The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

(iii) (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee and provided security to companies, firms and other parties as follows:

Particulars	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted/ provided during the year				
Subsidiaries	Nil	Nil	200.00	Nil
Joint Ventures	Nil	Nil	Nil	Nil
Associates	Nil	Nil	Nil	Nil
Others	Nil	Nil	7.00	329.96
Balance outstanding as at balance sheet date				
- Subsidiaries	Nil	Nil	200.00	Nil
- Joint Ventures	Nil	Nil	Nil	Nil
- Associates	Nil	Nil	Nil	Nil
- Others	Nil	Nil	6.92	329.96

(b) The terms and conditions of the grant of the loans and advance in the nature of loans are not prejudicial to the Company's interest. The Company has not made investments, provided guarantees and provided security to companies, firms, Limited Liability Partnerships or any other parties.

(c) The Company has granted loan and advances in the nature of loan during the year to companies where the schedule of repayment of principal and payment of interest has been stipulated and repayment of loan has not yet started. Further, the company has granted interest-free loan to employees where the schedule of repayment of principal has been stipulated and repayment of loan are regular.

(d) The Company has granted loans and advances in the nature of loans during the year to companies and employees which are not overdue for more than ninety days.

(e) There were no loans granted to companies, firms, Limited Liability Partnerships or any other parties which had fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on paragraph 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Act are applicable. In respect of loan given, the provisions of section 186 of the Act have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on paragraph 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture or service of 'Inorganic chemicals and organic chemicals', and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, income-tax, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there has been a slight delay in case of professional tax. The provisions relating to sales tax, service tax, duty of excise, and value added tax are not applicable to this Company.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of income-tax and service tax that have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs. In lakhs)*	Period to which the amount relates (AY)	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax	161.59 (net of INR 47.79 adjusted against refund of AY 24-25)	2018-19	Assistant Commissioner of Income Tax, Pune
Income Tax Act, 1961	Income Tax	352.05 (net of Rs. 88.01 paid under protest)	2020-21	Commissioner of Income Tax (Appeals), Pune
Finance Act, 1994	Service Tax	82.37	2015-16	Additional Commissioner of GST, Pune

* excluding interest and penalty thereon

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

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

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

(c) Term loans were applied for the purpose for which the loans were obtained.

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

(e) On an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or meet the obligations of its subsidiaries.

(f) The Company has not raised loans during the year on the pledge of securities held in its subsidiaries. Hence, the requirement to report on clause (ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by auditors in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) (a) The Company is not a Nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(a) of the Order is not applicable to the Company.

(b) The Company is not a Nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(b) of the Order is not applicable to the Company.

(c) The Company is not a Nidhi company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii)(c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 are not applicable to the Company and accordingly the requirements to report under clause 3(xiii) of the Order insofar as it relates to section 177 of the Act is not applicable to the Company.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The Company follows a July to June internal audit cycle and accordingly the internal audit reports of the Company for the period under audit and issued till the date of our audit report, have been considered by us. As informed to us, the internal audit for remaining areas / scope is expected to be completed post issue of our audit report on these financial statements.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Group has one Core Investment Company as part of the Group.

(xvii) The Company has not incurred cash losses in the current and immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 36 to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. Accordingly, the requirement to report on clause 3(xx)(a) of the Order is not applicable to the Company.

(b) There are no ongoing projects pertaining to CSR Activities. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable to the Company.

(xxi) The Company has elected to apply the exemption available for consolidation under Ind AS 110. This matter has been disclosed in note 39 to the standalone financial statements. Accordingly, the requirement to report on clause 3(xxi) of the Order is not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYH3241
Place of Signature: Pune
Date: April 30, 2025

Annexure 2 referred to in paragraph 2(g) under the heading "Report on other legal and regulatory requirements" of our report of even date

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

We have audited the internal financial controls with reference to standalone financial statements of Thermax Onsite Energy Solutions Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to these standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Standalone Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Standalone Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYH3241
Place of Signature: Pune
Date: April 30, 2025

Thermax Onsite Energy Solutions Limited

Standalone Balance Sheet as at March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Property, plant and equipment	4	361.53	338.41
Capital work-in-progress	4	-	18.25
Intangible assets	5	-	0.78
Investments in subsidiaries	6(a)	5,298.81	5,298.81
Financial assets:			
(a) Loans	7(b)	193.34	-
(b) Finance lease receivables	8(a)	20,134.20	14,710.44
(c) Other assets	8(b)	5.73	3.63
Income tax asset (net)		408.03	128.86
Deferred tax assets (net)	9	166.81	304.42
Other assets	10	365.96	179.67
Total non-current assets		**26,934.41**	**20,983.27**
II. Current assets			
Inventories	11	6,202.73	12,519.46
Financial assets:			
(a) Investments	6(b)	1,999.47	1,953.15
(b) Trade receivables	7(a)	5,290.95	4,596.64
(c) Cash and cash equivalents	12(a)	620.97	24.22
(d) Loans	7(b)	8.73	-
(e) Finance lease receivables	8(a)	2,830.88	2,049.49
(f) Other assets	8(b)	1,008.20	759.00
Other assets	10	1,316.73	2,509.00
Total current assets		**19,278.66**	**24,410.96**
Total assets		**46,213.07**	**45,394.23**
Equity and liabilities			
III. Equity			
Equity share capital	13	10,828.00	10,828.00
Other equity	14	14,415.00	10,785.20
Total equity		**25,243.00**	**21,613.20**
IV. Non-current liabilities			
Financial liabilities			
(a) Borrowings	15(a)	7,921.62	8,438.84
(b) Other liabilities	17	2,132.16	2,003.58
Other liabilities	19	3,417.01	2,694.63
Total non-current liabilities		**13,470.79**	**13,137.05**
V. Current liabilities			
Financial liabilities			
(a) Borrowings	15(b)	2,639.79	3,518.89
(b) Trade payables	16		
i. total outstanding dues of micro enterprises and small enterprises		1,646.49	1,584.86
ii. total outstanding dues of creditors other than micro enterprises and small enterprises		1,248.94	2,585.47
(c) Other liabilities	17	569.59	1,060.24
Provisions	18	378.69	325.66
Income tax Liabilities (net)		1.48	331.38
Other liabilities	19	1,014.30	1,237.48
Total current liabilities		**7,499.28**	**10,643.98**
Total equity and liabilities		**46,213.07**	**45,394.23**
Summary of material accounting policies.	2		
Summary of significant accounting estimates and judgements	3		

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

Standalone Statement of profit and loss for the year ended March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	20	56,031.57	45,516.25
Other income	21	202.74	237.13
Total Income (I)		**56,234.31**	**45,753.38**
Expenses			
Cost of raw materials and components consumed	22 (a)	35,529.70	38,832.64
Decrease/(Increase) in inventories of work-in-progress and traded goods	22 (b)	6,638.93	(3,745.42)
Employee benefits expense	23	2,115.73	1,822.49
Finance costs	24	1,035.22	923.08
Depreciation and amortisation expense	25	68.59	50.33
Other expenses	26 (a)	5,960.37	4,371.38
Total expenses (II)		**51,348.54**	**42,254.50**
Profit before tax (III) = (I-II)		**4,885.77**	**3,498.88**
Tax expense			
Current tax	9	1,114.68	1,226.19
Adjustment of tax relating to earlier period	9	-	5.46
Deferred tax	9	141.30	(326.53)
Total tax expense (IV)		**1,255.98**	**905.12**
Profit for the year (V) = (III-IV)		**3,629.79**	**2,593.76**
Other comprehensive income			
Items that will not be reclassified subsequently to profit or loss			
Re-measurement (loss) of defined benefit plans	29	(14.66)	(7.61)
(Less): Income tax effect	9	3.69	1.92
Net other comprehensive income/(loss) for the year (net of tax) (VI)		**(10.97)**	**(5.69)**
Total comprehensive income for the year (VII)= (V+VI)		**3,618.82**	**2,588.07**
Earning per equity share [Nominal value per share Rs. 10/- (March 31, 2024: Rs. 10/-)]	27		
Basic		3.35	2.76
Diluted		3.35	2.76
Summary of Material accounting policies.	2		
Summary of significant accounting, estimates and judgements.	3		

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

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership No: 135859

Date: April 30, 2025
Place: Pune

For and on behalf of the Board of Directors of
Thermax Onsite Energy Solutions Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN: 10831177

Khushboo Bhatia
Director and CEO
DIN: 09019736

Kajal Kabra
Company Secretary

Mandar Dandekar
Chief Financial Officer

Date: April 30, 2025
Place: Pune

Standalone Statement of Cash flow for the year ended March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows from operating activities**			
	Profit before tax		4,885.77	3,498.88
	Adjustments to reconcile profit before tax to net cash flows			
	Depreciation and amortisation expense	25	68.59	50.33
	Fair value gain on financial instrument at fair value through profit and loss (net)	21	(120.13)	(181.51)
	Finance cost	24	1,035.22	923.08
	Liabilities written back	21	-	(39.79)
	Advances written off	26	-	21.63
	Loss/(Profit) on sale of asset (net)	21	0.52	(10.32)
	Amortisation of prepaid lease rental	20 (a)	(177.52)	(232.34)
	Interest income	21	(24.03)	(5.51)
	Share based payment expenses	23	10.98	7.63
	Working capital adjustments			
	(Increase)/Decrease in trade receivables		(694.31)	(1,396.74)
	(Increase)/Decrease in inventories		6,397.10	(3,403.79)
	(Increase)/Decrease in other assets		1,222.62	846.56
	(Increase)/Decrease in other financial assets		(251.31)	501.74
	Increase/(Decrease) in trade payables		(1,297.10)	1,410.61
	Increase/(Decrease) in other liabilities		676.79	873.13
	Increase/(Decrease) in provisions		38.37	146.55
	Increase/(Decrease) in other financial liabilities		(504.72)	573.10
	Cash generated from operations		**11,264.74**	**3,583.24**
	Income taxes paid (net of refunds received)		(1,723.75)	(998.90)
	Net cash flows from operating activities		**9,540.99**	**2,584.34**
B)	**Cash flows from/ (used in) investing activities**			
	Purchase of Property, plant and equipment		(337.44)	(235.54)
	Proceeds from sale of Property, plant and equipment		-	19.21
	Investment in subsidiary		-	(2,935.81)
	Loans given to subsidiary		(200.00)	-
	Net movement in finance lease receivables		(6,119.12)	(4,095.60)
	Purchase of short term investments		(10,253.33)	(8,735.33)
	Proceeds from sale of short term investments		10,327.14	6,963.69
	Interest received		-	5.51
	Net cash flows (used in) investing activities		**(6,582.75)**	**(9,013.87)**
C)	**Cash flows from/ (used in) financing activities**			
	Proceeds from issue of share capital		-	3,600.00
	Proceeds from borrowings		2,083.08	4,549.35
	Repayment of borrowings		(3,444.54)	(1,695.06)
	Interest paid		(992.68)	(1,050.65)
	Net cash flows (used in)/from financing activities		**(2,354.14)**	**5,403.64**
	Net (decrease)/ increase in cash and bank balances		**604.11**	**(1,025.89)**
	Cash and bank balances at the beginning of the year		16.86	1,042.75
	Cash and bank balances at the end of the year		**620.97**	**16.86**

Reconciliation of cash and bank balances as per the cash flow statement:

	Note No.	March 31, 2025	March 31, 2024
Cash and bank balances	12(a)	620.97	24.22
Bank overdraft balance	15(b)	-	(7.36)
Balances as per statement of cash flows		**620.97**	**16.86**

Refer Note 12 (b) for Change in liabilities arising from financing activities and for non-cash financing and investing activities.

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

Standalone Statement of changes in Equity for the year ended March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

A Equity Share Capital

Particulars	Note No.	As at March 31, 2025		As at March 31, 2024	
		No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the year	13	10,82,80,000	10,828.00	7,22,80,000	7,228.00
Changes in equity shares capital during the year	13	-	-	3,60,00,000	3,600.00
Balance at the end of the year	**13**	**10,82,80,000**	**10,828.00**	**10,82,80,000**	**10,828.00**

B Other Equity

Particulars	Reserves & Surplus		
	Retained Earnings	Share Based Payment Reserve	Total
As at April 1, 2023	**8,189.50**	**-**	**8,189.50**
Profit for the year	2,593.76	-	2,593.76
Other Comprehensive Income/(loss) (net)	(5.69)	-	(5.69)
Total comprehensive income	**2,588.07**	**-**	**2,588.07**
Share based payment	-	7.63	7.63
As at March 31, 2024	**10,777.57**	**7.63**	**10,785.20**
Profit for the year	3,629.79	-	3,629.79
Other Comprehensive Income/(loss) (net)	(10.97)	-	(10.97)
Total comprehensive income	**3,618.82**	**-**	**3,618.82**
Share based payment	-	10.98	10.98
As at March 31, 2025	**14,396.39**	**18.61**	**14,415.00**

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership No: 135859

Date: April 30, 2025
Place: Pune

For and on behalf of the Board of Directors of
Thermax Onsite Energy Solutions Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN: 10831177

Khushboo Bhatia
Director and CEO
DIN: 09019736

Kajal Kabra
Company Secretary

Mandar Dandekar
Chief Financial Officer

Date: April 30, 2025
Place: Pune

1. Corporate information

Thermax Onsite Energy Solutions Limited ('the Company') is a public company incorporated and domiciled in India. The Company offers sustainable solutions, essentially renewable in nature, for utilities namely steam, heat, chilled water (Cooling), Water and Wastewater, Power and Combined Heat and Power, through outsourced utility delivery services based on the Build-Own-Operate/Transfer (BOO/T) business model. The Company currently only caters to the domestic market. The address of its registered office is Thermax House, 14, Mumbai Pune Road, Wakdewadi, Pune, India - 411003. The CIN of the Company is U40109PN2009PLC134659. These standalone financial statements were approved for issue in accordance with the resolution passed by the Board of Directors on April 30, 2025. The financial statements once approved by the Board of directors needs to be adopted by the shareholders at the annual general meeting of the company. The Board of directors can withdraw and re-issue the financial statements so adopted only in specific cases such as non-compliance with the applicable accounting standards, with the approval of Tribunal, after following the appropriate procedure as per Companies Act 2013.

2. Material accounting policies

2.1. Basis of preparation and measurement

(a) Statement of compliance and basis of preparation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Act) (as amended from time to time) as applicable to the standalone financial statements.

The preparation of the standalone financial statements requires the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the standalone financial statements are disclosed in Note 3.

(b) Basis of measurement

The standalone financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans whereby the plan assets are measured at fair value.
- Equity settled ESOP at grant date fair value at each reporting date. The accounting policies and related notes further described the specific measurements applied for each of the assets and liabilities.

2.2. Changes in accounting policies and disclosures

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases - Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

2.3 Summary of material accounting policies critical accounting estimate and judgement

(a) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash 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 expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The company has identified twelve months as its operating cycle.

(b) Foreign currencies

The Company's standalone financial statements are prepared in INR, which is also the functional currency of the Company.

(c) Fair value measurement

The Company measures financial instruments 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. 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 asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant judgements, estimates and assumptions (note 3)
- Quantitative disclosures of fair value measurement hierarchy (note 31)
- Financial instruments (including those carried at amortised cost) (note 6, 7, 8, 15, 16, 17 and 31)

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

In determining fair value measurement, the impact of potential climate-related matters, including legislation, which may affect the fair value measurement of assets and liabilities in the financial statements has been considered. These risks in respect of climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount, these assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

At present, the impact of climate-related matters is not material to the Company's financial statements.

(d) Financial instruments

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.

Financial assets

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through profit or loss, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories by the Company:

(i) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included in finance costs/income in the Statement of profit and loss. The losses arising from impairment are recognised in the Statement of profit and loss.

(ii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI is classified as FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised

when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortised costs e.g. loans, deposits, trade receivables, lease receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance.

ECL impairment allowance (or reversal) recognised during the period is recognised as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings or payables as appropriate. All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings, employee payables and trade deposits. Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortised cost.

All changes in fair value of financial liabilities classified as FVTPL is recognised in the Statement of Profit and Loss. All the financial liabilities of the Company are classified under the amortised cost category. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognised in 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 cost that are integral part of EIR. The EIR amortisation is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

e. Events after the reporting period

If the Company receives information after the reporting period, but prior to the date of approved for issue, about conditions that existed at the end of the reporting period, it will assess whether the information affects the amounts that it recognises in its separate financial statements. The Company will adjust the amounts recognised in its financial statements to reflect any adjusting events after the reporting period and update the disclosures that relate to those conditions in light of the new information. For non-adjusting events after the reporting period, the Company will not change the amounts recognised in its separate financial statements but will disclose the nature of the non-adjusting event and an estimate of its financial effect, or a statement that such an estimate cannot be made, if applicable.

2.4 Climate-related matters

The company considers climate-related matters in estimates and assumptions, where appropriate. This assessment includes a wide range of possible impacts on the company due to both physical and transition risks. Even though the Company believes its business model and products will still be viable after the transition to a low-carbon economy, climate-related matters increase the uncertainty in estimates and assumptions underpinning several items in the financial statements. Even though climate-related risks might not currently have a significant impact on measurement, the company is closely monitoring relevant changes and developments, such as new climate-related legislation.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the company's accounting policies and preparation of financial statements, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Standalone Financial Statements.

The areas involving critical estimates or judgements are:

a. Estimations used for fair value measurement (Refer note 2.3.c)

b. Estimations used for impairment of financial assets and liabilities (Refer note 2.3.d)

c. Estimates and assumptions related to useful lives and impairment of Property, Plant and Equipment (PPE) (Refer note 4)

d. Estimates and assumptions for income taxes (Refer note 9)

e. Estimates and assumptions related to provisions (Refer note 18)

f. Estimates, judgments and assumptions used for revenue from operations (Refer note 20)

g. Estimates and judgements used for contingent liabilities and commitments (Refer note 28)

h. Judgements related to leasing arrangements (Refer note 34)

i. Judgements related to segment reporting (Refer note 35)

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

4 Property, plant and equipment

Accounting policy

Property, plant and equipment (PPE) is stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalised.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Gains or losses arising from derecognition of tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit and loss when the asset is derecognised.

The management has estimated, supported by independent assessment by professionals, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	7.5 to 10	15 to 20
Office equipment	15	15
Computers and data processing units	4 to 6	3 to 6
Vehicles	5	8

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

Estimates and assumptions:

The Company determines, based on independent technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortization. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impairment of PPE

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase, if applicable.

Estimates and assumptions

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years as approved by the Management and do not include restructuring activities that the company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the terminal growth rate used.

a. OWNED ASSETS:

Particulars	Plant and equipment	Office equipment	Computer & data processing unit	Vehicles	Total	Capital Work in Progress
Gross carrying amount as at April 1, 2023	**269.31**	**17.35**	**74.32**	**19.43**	**380.41**	**-**
Additions	188.70	4.11	22.68	16.77	232.26	250.51
Disposals/discards	(126.91)	-	-	(8.26)	(135.17)	(232.26)
Gross carrying amount as at March 31, 2024	**331.10**	**21.46**	**97.00**	**27.94**	**477.50**	**18.25**
Additions	35.05	16.55	40.83	-	92.43	74.18
Disposals/discards	(1.38)	(0.48)	-	-	(1.86)	(92.43)
Gross carrying amount as at March 31, 2025	**364.77**	**37.53**	**137.83**	**27.94**	**568.07**	**-**
Closing accumulated depreciation as at April 1, 2023	**172.78**	**3.83**	**35.79**	**5.69**	**218.09**	**-**
Charge for the year	29.67	1.14	12.93	3.54	47.28	-
Disposals/discards	(120.56)	-	-	(5.72)	(126.28)	-
Closing accumulated depreciation as at March 31, 2024	**81.89**	**4.97**	**48.72**	**3.51**	**139.09**	**-**
Charge for the year	42.12	1.76	19.99	5.30	69.17	-
Disposals/discards	(1.31)	(0.41)	-	-	(1.72)	-
Closing accumulated depreciation as at March 31, 2025	**122.70**	**6.32**	**68.71**	**8.81**	**206.54**	**-**
Net Block as at March 31, 2025	**242.07**	**31.21**	**69.12**	**19.13**	**361.53**	**-**
Net Block as at March 31, 2024	**249.21**	**16.49**	**48.28**	**24.43**	**338.41**	**18.25**

The Company had elected to continue with the carrying value of property, plant and equipment as recognised in the financial statements as per previous GAAP and had regarded those values as the deemed cost on the date of Ind AS transition (i.e. April 1, 2015). The Company has disclosed the gross block and accumulated depreciation above, for information purpose only.

b. Capital work in progress* ('CWIP')

Accounting Policy

The company recognises capital work in progress at cost, net of accumulated impairment loss, if any.

Ageing of Capital work-in-progress (CWIP) #:

Description		Amount in CWIP for a period of			
		Less than 1 year	1-2 years	2-3 years	Total
Project-in-progress	March 31,2025	-	-	-	-
	March 31,2024	18.25	-	-	18.25

For CWIP, there are no assets whose completion date is overdue or exceeded its cost as compared to its original plan for the year ended and as at March 31, 2025 and March 31, 2024.

5 Intangible Assets

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Internally generated intangibles, excluding capitalized development costs, are not capitalized and the related expenditure is reflected in the Statement of profit and loss in the period in which the expenditure is incurred.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of profit and loss when the asset is derecognised.

A summary of amortisation rates applied to the Company's intangible assets is as below:

Asset category	Life (years)
Computer software	4 to 6

Particulars	Computer Software	Total
Gross carrying amount as on April 01, 2023	**14.70**	**14.70**
Additions	-	-
Gross carrying amount as on March 31, 2024	**14.70**	**14.70**
Additions	-	-
Disposals/discards	-	-
Gross carrying amount as on March 31, 2025	**14.70**	**14.70**
Closing accumulated amortisation as at April 01, 2023	**10.87**	**10.87**
Charge for the year	3.05	3.05
Closing accumulated amortisation as at March 31, 2024	**13.92**	**13.92**
Charge for the year	0.78	0.78
Disposals/discards	-	-
Closing accumulated amortisation as at March 31, 2025	**14.70**	**14.70**
Net Block as at March 31, 2025	**-**	**-**
Net Block as at March 31, 2024	**0.78**	**0.78**

6(a) Investments in subsidiaries

Accounting policy

Investments in subsidiaries are carried at cost less accumulated impairment losses in the company's balance sheet. On disposal of such investments, the difference between disposal proceeds and the carrying amounts of the investments are recognised in the Statement of profit and loss.

Particulars	Face value per share	Number of units		Amount	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investments in Equity Instruments:					
Investments valued at cost (fully paid)					
Equity Shares in Subsidiaries (Unquoted)					
Enernxt Private Limited	Rs. 10	2,36,29,999	2,36,29,999	2,363.00	2,363.00
Thermax Energy and Environment Lanka (Private) Limited*	LKR 10	8,33,13,367	8,33,13,367	2,935.81	2,935.81
Total investments				**5,298.81**	**5,298.81**
Aggregate amount of quoted investments				-	-
Aggregate amount of unquoted investments				5,298.81	5,298.81
Aggregate amount of impairment in the value of investments				-	-

*During the previous year, the company had received Rs. 3,600 from Holding Company through right issue on July 17, 2023 for the purpose of investment in Thermax Energy and Environment Lanka (Private) Limited.

6 (b) Current investments

Particulars	Amount	
	March 31, 2025	March 31, 2024
Investments at Fair value through Profit and Loss		
Units of Mutual Funds (Quoted)		
Tata Money Market Fund - Reg - Growth	502.86	812.40
ABSL Money Manager Fund - Reg - Growth	558.11	636.00
Kotak Money Market Scheme - Reg - Growth	-	504.75
HDFC Money Market Fund - Reg - Growth	502.70	-
UTI Money Market Fund - Reg - Growth	435.80	-
Total current investments	**1,999.47**	**1,953.15**
Aggregate amount of quoted investments	1,999.47	1,953.15
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

Investments at fair value through profit or loss reflect investment in quoted debt securities. Refer note 31 for determination of their fair values

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

7 (a) Trade receivables - carried at amortised cost

Accounting policy

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

	As at March 31, 2025	As at March 31, 2024
Trade receivables from:		
i) Related parties (note 30)	107.20	136.34
ii) Others	5,183.75	4,460.30
Total	**5,290.95**	**4,596.64**
Sub-classification of trade receivables		
Secured, considered good	-	-
Unsecured, considered good	5,290.95	4,596.64
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	5,290.95	**4,596.64**
(Less): Impairment allowance	-	-
Total	**5,290.95**	**4,596.64**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

All outstanding balances are unsecured and repayable in cash. Trade receivables are non-interest bearing and are normally settled on credit terms of 7 to 45 days.

For terms and conditions relating to related party receivables, refer note 30.

The ageing of current trade receivables which are due for receipt:

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) Undisputed trade receivables- considered good	3,059.26	2,139.67	92.02	-	-	-	5,290.95
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Total	**3,059.26**	**2,139.67**	**92.02**	**-**	**-**	**-**	**5,290.95**
Less: impairment allowance	-	-	-	-	-	-	-
Total	**3,059.26**	**2,139.67**	**92.02**	**-**	**-**	**-**	**5,290.95**

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024							
(i) Undisputed trade receivables- considered good	2,520.36	2,020.24	56.04	-	-	-	4,596.64
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-
(iv) Disputed trade receivables- considered good	-	-	-	-	-	-	-
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Total	2,520.36	2,020.24	56.04	-	-	-	**4,596.64**
Less: impairment allowance	-	-	-	-	-	-	-
Total	**2,520.36**	**2,020.24**	**56.04**	**-**	**-**	**-**	**4,596.64**

There are no unbilled receivables, hence the same is not disclosed in the ageing schedule.

7 (b) Non-current loans

	Non Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good				
Loans to related parties (refer note 30)*	193.34	-	8.73	-
Total	**193.34**	**-**	**8.73**	**-**
Classification of above is as follows:				
Loans receivables - considered good - Secured	-	-	-	-
Loans receivables - considered good - Unsecured	193.34	-	8.73	-
Loans receivables which have significant increase in credit risk	-	-	-	-
Loans receivables - credit impaired	-	-	-	-
Total	**193.34**	**-**	**8.73**	**-**

*includes accrued interest of Rs. 2.07 (March 31, 2024 Rs. Nil)

The loan is given for subsidiary's principle business activities (manufacture and supply of Bio CNG Gas). The tenure of loan is for 72 months (including moratorium period of 12 months) payable quarterly along with accumulated interest accrued at a rate of 1.85% + 3 months T-bill.

No loans are due from directors or key managerial persons of the company either severally or jointly with any other person or from firms

or private companies in which any director is a partner, a director or a member, respectively.

8 (a) Lease receivable

	Non Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good				
At amortized cost				
Finance lease receivables*	20,134.20	14,710.44	2,830.88	2,049.49
Total	**20,134.20**	**14,710.44**	**2,830.88**	**2,049.49**

*Lease receivables amounting to Rs. 19,712.76 (March 31, 2024 Rs. 12,548.18) have been hypothecated against borrowings. Refer note 15.

8 (b) Other financial assets - carried at amortised cost

Accounting policy

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

	Non Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good				
At amortized cost				
Security deposits	5.73	3.63	-	-
Unbilled revenue	-	-	912.81	673.74
Other amount recoverable*	-	-	95.39	85.26
Total	**5.73**	**3.63**	**1,008.20**	**759.00**

*Recovery of expenses from subsidiary

9 Income Taxes

Accounting policy

Tax expense comprises current tax expense and deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 outside profit or loss is recognised either in OCI or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the balance sheet approach on temporary differences between the tax base of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

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

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity) in correlation to the underlying transaction.

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.

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

Estimates and assumptions

At each balance sheet date, the company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted for any of the tax jurisdictions in which the company operates.

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

Statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Current tax	1,114.68	1,226.19
Adjustments in respect of income tax of previous year	-	5.46
Deferred tax (income)/ expense (Relating to obligations and reversal of temporary differences)	141.30	(326.53)
Income tax expense reported in the statement of profit and loss	**1,255.98**	**905.12**

Other comprehensive income

Particulars	March 31, 2025	March 31, 2024
Deferred tax related to items recognised in other comprehensive income during the year		
Net (gain)/loss on remeasurements of defined benefit plans	(3.69)	(1.92)
Deferred tax credited in other comprehensive income	**(3.69)**	**(1.92)**

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024

Particulars	March 31, 2025	March 31, 2024
Accounting profit before tax	4,885.77	3,498.88
At India's statutory income tax rate of 25.17% (March 31, 2024: 25.17%)	1,229.75	880.67
Taxes from prior periods	-	5.46
Other differences (includes differences on account of CSR disallowances etc.)	26.23	18.99
Effective tax	**1,255.98**	**905.12**
Income tax expense reported in the statement of profit or loss at effective tax rate of 25.71% (March 31, 2024: 25.87%)	**1,255.98**	**905.12**

Deferred tax

Statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Deferred tax relates to the following :		
Consequence of differences in tax base of assets and finance lease receivables	(183.79)	25.15
On unearned revenue*	133.56	95.43
Others (impact on account of temporary differences)	(87.37)	205.95
Deferred tax (expense)/income	**(137.60)**	**326.53**

Deferred tax

Balance sheet

Particulars	March 31, 2025	March 31, 2024
Deferred tax relates to the following :		
Consequence of differences in tax base of assets and finance lease receivables	(591.79)	(408.00)
On unearned revenue*	646.73	513.18
Others (impact on account of temporary differences)	111.87	199.24
Net deferred tax assets	**166.81**	**304.42**

*includes revenue remaining unearned for the portion attributable to maintenance of leased equipment constructed at customer premises under finance lease arrangements.

Reconciliation of deferred tax assets

Particulars	March 31, 2025	March 31, 2024
Opening balance	304.42	(20.19)
Tax expense / (income) during the period recognised in profit or loss	(141.30)	326.53
Tax expense / (income) during the period recognised in OCI	3.69	(1.92)
Closing balance	**166.81**	**304.42**

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

10 Other assets

	Non Current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Unsecured considered good				
Balances with government authorities	-	-	949.77	1,430.64
Capital advances	266.31	-	-	-
Advances to suppliers	-	-	61.81	337.17
Advances to staff and workers	-	-	11.27	13.55
Advance to group companies (note 30)	-	-	199.36	635.27
Prepaid expenses	99.65	179.67	94.52	92.37
Total	**365.96**	**179.67**	**1,316.73**	**2,509.00**

There were no advances due by directors or other officers of the Company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

11 Inventories

Accounting policy

Raw materials are valued at lower of cost and estimated net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost of raw materials is arrived at on the basis of weighted average cost.

Work in progress inventory is valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Stores and spares are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Write down of inventories are calculated based on an analysis of foreseeable changes in demand, technology, market conditions and ageing of inventories.

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials	715.72	498.40
Stores and spares	186.64	81.76
Work in progress*^	5,300.37	11,939.30
Total	**6,202.73**	**12,519.46**

* Includes purchase of machinery and other components which are to be leased to customers under finance lease arrangements.

^Inventory amounting to Rs. 4,976.92 (March 31, 2024 Rs. 10,651.74) has been hypothecated against borrowings. Refer note 15.

12 (a) Cash and cash equivalents

Accounting policy

Cash and cash equivalent in the balance sheet comprise cash at banks. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- on current accounts	620.97	24.22
Total	**620.97**	**24.22**

12 (b) Changes in liabilities arising from financing activities

Particulars	Borrowings
As on April 1, 2023	**9,094.54**
Cash flow	2,854.29
Others (Including interest paid)	9.46
As on March 31, 2024	**11,958.29**
Cash flow	(1,361.46)
Others (Including interest paid)	(35.42)
As on March 31, 2025	**10,561.41**

13 Share capital

Accounting policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognised as a deduction from equity, net of any related income tax effects.

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized shares (Nos)		
150,000,000 (March 31, 2024: 150,000,000) equity shares of Rs. 10/- each.	15,000.00	15,000.00
	15,000.00	**15,000.00**
Issued, subscribed and fully paid share capital (Nos)		
108,280,000 (March 31, 2024: 108,280,000) equity shares of Rs. 10/- each fully paid up	10,828.00	10,828.00
Total issued, subscribed and fully paid-up share capital	**10,828.00**	**10,828.00**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	No. of Shares	Amount
Equity share of Rs. 10 each issued, subscribed and fully paid		
As at April 01, 2023	7,22,80,000	7,228.00
Changes during the year	3,60,00,000	3,600.00
As at March 31, 2024	**10,82,80,000**	**10,828.00**
Changes during the year	-	-
As at March 31, 2025	**10,82,80,000**	**10,828.00**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity share capital held by holding company / promotors

Particulars	As at March 31, 2025	As at March 31, 2024
Thermax Limited*		
108,280,000 (March 31, 2024: 108,280,000) equity shares of Rs. 10/- each fully paid up	10,828.00	10,828.00

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2025	As at March 31, 2024
Thermax Limited*		
%	100.00	100.00
No. of shares	108,280,000	108,280,000

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

*Includes 6 shares (March 31, 2024: 6 shares) held by nominee shareholders.

(e) There were no issue of bonus shares/buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

14 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Reserves and Surplus		
Retained earnings		
Opening balance	10,777.57	8,189.50
Add: Profit for the year	3,629.79	2,593.76
Movement during the year	**3,629.79**	**2,593.76**
Items of other comprehensive income recognised directly in retained earnings:		
Re-measurements of post-employment benefit obligations, net of tax Rs. 3.69 (March 31, 2024 : Rs. 1.92)	(10.97)	(5.69)
Net surplus in the statement of profit and loss	**14,396.39**	**10,777.57**
Other Reserves		
Share based payment reserve		
Opening balance	7.63	-
Add: Options granted during the year	10.98	7.63
Closing balance	18.61	7.63
Total	**14,415.00**	**10,785.20**

Retained earnings

The profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement loss/(gain) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Share based payment reserve

Pertains to equity settled share based payment plan issued by Parent Company for certain categories of empoyees of the Company (refer note 23)

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

15(a) Non-current borrowings

	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Secured		
Loan from bank*	10,561.41	11,950.37
(Less) : Current maturities of long term borrowings	(2,639.79)	(3,511.53)
Total	**7,921.62**	**8,438.84**

15(b) Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured loan from bank**	-	7.36
Current maturities of non-current borrowings	2,639.79	3,511.53
Total	**2,639.79**	**3,518.89**

*Loan from bank carries an effective interest rate ranging between 8.17% - 9.48% (March 31, 2024 : 8.48% - 9.62%). The loan has been availed for 60 to 84 months and it is repayable in 48 to 72 monthly instalments along with interest, from the date the moratorium period ends. The loan has a moratorium period of 12 months for repayment of principal. The loan is secured by first charge on plant and machinery (property, plant & equipment, finance lease receivable, and inventory work in progress), an escrow of cashflow for the specific project for which such facility was availed.

**Unsecured loans includes bank overdraft Rs. NIL (March 31, 2024 : 7.36, carries an interest rate 8.50%)

16 Trade Payables at amortised cost

	As at March 31, 2025	As at March 31, 2024
Trade payables		
Total outstanding dues of micro enterprises and small enterprises	1,646.49	1,584.86
Total outstanding dues of creditors other than micro enterprises and small enterprises		
(i) Related Parties (refer note 30)	328.95	1,216.13
(ii) Others	919.99	1,369.34
	1,248.94	**2,585.47**
Total	**2,895.43**	**4,170.33**

For terms and conditions with related parties, refer note 30.

Trade payables are non-interest bearing and are normally settled on credit terms of 7 to 60 days.

Details of dues to micro and small enterprises as defined under The Micro, Small and Medium enterprises Development (MSMED) Act 2006

Particulars	March 31, 2025	March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount outstanding (whether due or not) to micro and small enterprises	1,575.79	1,536.36
- Interest due thereon	0.86	1.72
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	705.89	4,133.28
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	21.34	19.82
The amount of interest accrued and remaining unpaid at the end of each accounting year	22.20	21.54
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	70.70	48.50

* Information in this regard is on basis of intimation received, on requests made by the Company, with regards to registration of vendors under the said Act.

The ageing of current trade payables which are due for payment :

Particulars	Unbilled*	Not Due	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) Micro enterprises and small enterprises	321.56	835.25	471.35	10.37	-	7.96	**1,646.49**
(ii) Others	292.86	484.02	339.06	-	100.13	32.87	**1,248.94**
(iii) Disputed dues- Micro enterprises and small enterprises	-	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	-	**-**
Total	**614.42**	**1,319.27**	**810.41**	**10.37**	**100.13**	**40.83**	**2,895.43**

The ageing of current trade payables which are due for payment :

Particulars	Unbilled*	Not Due	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024							
(i) MSME	138.22	567.33	868.22	0.42	10.67	-	**1,584.86**
(ii) Others	517.46	716.75	1,351.26	-	-	-	**2,585.47**
(iii) Disputed dues- MSME	-	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	-	**-**
Total	**655.68**	**1,284.08**	**2,219.48**	**0.42**	**10.67**	**-**	**4,170.33**

*Includes year-end accruals.

17 Other financial liabilities

	Non Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At amortized cost				
Trade deposits *	2,132.16	2,003.58	1.00	590.78
Employee related payables	-	-	568.59	469.46
Total	**2,132.16**	**2,003.58**	**569.59**	**1,060.24**

* Including deposits payable to related parties. Refer note 30.

18 Provisions

Accounting policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, 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. Remeasurements are not reclassified to the Statement of 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 recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Remeasurement gains/losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement for 12 months after the reporting date. However, the Company does not expect that all leave obligations will be settled in the next 12 months.

Refund liabilities: A refund liability is recognised for the obligation to refund some or all of the consideration received (or receivable) from the customer. The Company's refund liabilities arise from customers' contractual right to receive share of savings in fuel cost and volume rebates. The Company updates its estimates of refund liabilities (and the corresponding change in the transaction price) at the end of each reporting period.

Estimates and assumptions

• Defined benefit plan - Gratuity

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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 and mortality rates. 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 which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates. Further details about gratuity obligations are given in note 29.

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for gratuity (refer note 29)	10.91	45.52
Provision for leave encashment	107.77	84.60
	118.68	**130.12**
Other provisions		
Refund liabilities*	260.01	195.54
	260.01	**195.54**
Total	**378.69**	**325.66**

* Represents the provision made for the savings in the fuel costs which will be passed on to the customer.

Movement in provisions for refund liabilities	For the year March 31, 2025	For the year March 31, 2024
Balance as at April 1, 2024	195.54	119.30
Additional provision recognised	153.16	112.51
Utilised during the year	(88.69)	(36.27)
Balance as at March 31, 2025	**260.01**	**195.54**

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

19 Other liabilities

Accounting policy

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 20

	Non Current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Advance lease rentals	1,299.52	1,488.13	222.65	308.96
Unearned revenue* (Contract liabilities)	2,117.49	1,206.50	451.96	832.38
Statutory dues and other liabilities**	-	-	339.69	96.14
Total	**3,417.01**	**2,694.63**	**1,014.30**	**1,237.48**

* includes revenue remaining unearned for the portion attributable to maintenance of leased equipment constructed at customer premises under finance lease arrangements.

** includes payable for tax deducted at source, provident fund, professional tax and goods and services tax.

20 Revenue from operations

Accounting policy

Revenue from contract with customer:

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognised when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The Company identifies distinct performance obligations in each contract. The Company allocates the transaction price to each performance obligation on a relative stand-alone selling price basis by determining the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. Since the consideration is inclusive of the lease component, the stand-alone selling price is not directly observable. Hence, the Company estimates the standalone selling price by considering all the information (including market conditions, entity-specific factors and information about the customer or class of customer) that is reasonably available to the Company.

Revenue from sale of utilities is recognised at the point in time when control of the asset is transferred to the customer, generally on supply of the utilities. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

The Company has identified maintenance of leased assets as separate performance obligation. Revenue for such obligation is recognised over the period in which the service is provided based on the actual expenditure incurred.

Rights of return

The Company uses the expected value method to estimate the variable consideration given the large number of contracts that have similar characteristics. The Company then applies the requirements on constraining estimates of variable consideration in order to determine the amount of variable consideration that can be included in the transaction price. A refund liability is recognised for the goods that are expected to be passed on. A right of return asset (and corresponding adjustment to cost of sales) is also recognised for the right to recover the goods from a customer.

Revenue where the company as a Lessor

Revenue from sale of utilities is recognised at the point in time when control of the asset is transferred to the customer, on supply of the utilities. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Estimates and judgements

Maintenance cost against unearned revenue

These costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacements, material costs and servicing cost of machinery installed at customer site. Management estimates the related provision for future maintenance costs based on historical incurred cost information, as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in current period are consistent with those in the prior year. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives. Refer note 19 for further details.

a) Revenue from operations :

	March 31, 2025	March 31, 2024
Revenue from contracts with customers		
Sale of products	43,789.48	36,640.07
Sale of leased assets *	9,233.09	6,592.95
Finance income on leased assets	2,812.78	1,968.20
	55,835.35	**45,201.22**
Other operating revenue		
Sale of scrap	18.70	24.69
Amortisation of prepaid lease rental	177.52	232.34
Miscellaneous#	-	58.00
	196.22	**315.03**
Revenue from operations (Net)	**56,031.57**	**45,516.25**

* pertains to sale of equipment to customers under finance lease arrangements.

Includes liquidity damages recovered from customer of Rs. NIL (March 31, 2024 : 58.00)

b) Disclosure pursuant to Ind AS 115: Revenue from contracts with customers:

i) Revenue by category of contracts:

	March 31, 2025	March 31, 2024
Over a period of time basis	579.77	345.57
At a point-in-time basis	52,442.80	42,887.45
Total revenue from contracts with customers	**53,022.57**	**43,233.02**

ii) Revenue by geographical market:

	March 31, 2025	March 31, 2024
Within India	56,031.57	45,516.25
Outside India	-	-
Revenue from operations (net)	**56,031.57**	**45,516.25**

iii) Contract balances:

The following table provides information about contract balances from contracts with customers as at the reporting date:

Particulars	March 31, 2025	March 31, 2024
Trade receivables (note 7)	5,290.95	4,596.64
Non current unearned revenue (Contract liability) (note 19)	2,117.49	1,206.50
Current unearned revenue (Contract liability) (note 19)	451.96	832.38
Unbilled revenue (Contract asset) (note 8(b))	912.81	673.74
Refund liability (note 18)	260.01	195.54

The contract liabilities relate to unearned revenue where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company's cash positions on specific projects.

Contract assets primarily relate to the Company's rights to consideration for utilities supplied but not billed at the reporting date. The contract assets are transferred to trade receivables on its related invoicing.

iv) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

	March 31, 2025	March 31, 2024
Unearned revenue (Contract liability)	579.77	345.57

v) Changes in unearned revenue for the year:

The explanation of the significant changes in the unearned balances during the reporting year is presented in the table below:-

	March 31, 2025	March 31, 2024
Opening unearned revenue (refer note 19)	**2,038.88**	**1,646.24**
-Revenue earned for the portion attributable to maintenance of leased assets constructed at customer premises under finance lease arrangements	1,110.34	738.21
-Revenue remaining unearned for the portion attributable to maintenance of leased assets constructed at customer premises under finance lease arrangements for current year	(579.77)	(345.57)
Closing unearned revenue (refer note 19)	**2,569.45**	**2,038.88**

vi) Remaining performance obligations:

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially satisfied) at the reporting date.

Particulars	March 31, 2025	March 31, 2024
Amount of revenue yet to be recognised for performance obligations remaining to be completed*	52,436.27	52,912.58

*The Company has disclosed remaining performance obligation expected to be fulfilled in next 12 months. However, the contracts with customers for supply of utilities are for a longer period.

vii) Reconciliation between revenue recognised in Statement of profit and loss and contract price:

There is no significant variation between revenue recognised in Statement of profit and loss and contract price except price variation claims, which are considered to be part of contract price.

21 Other income

Accounting policy

(i) Interest income

Recognised when it is probable that the economic benefits will flow to the Company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

	March 31, 2025	March 31, 2024
Interest income from financial assets at amortised cost		
Bank deposits	-	5.49
Others	24.03	0.02
Fair value gain on financial instrument at fair value through profit and loss (net)	120.13	181.51
(Loss)/Profit on discard/sale of asset (net)	-	10.32
Liabilities written back	-	39.79
Miscellaneous income	58.58	-
Total	**202.74**	**237.13**

22(a) Cost of raw material and components consumed

	March 31, 2025	March 31, 2024
Inventories at the beginning of the year	498.40	677.03
Add: Purchases *	35,747.02	38,654.01
	36,245.42	**39,331.04**
Inventories at the end of the year	715.72	498.40
Total	**35,529.70**	**38,832.64**

* Includes purchase of machinery and other components which are used to construct plants which are leased to customers under finance lease arrangements.

22(b) Changes in inventories of work-in-progress and traded goods

Particulars	March 31, 2025	March 31, 2024
Inventories at the beginning of the year		
Work in progress	11,939.30	8,185.11
Traded goods	-	8.77
Total	**11,939.30**	**8,193.88**
Inventories at the end of the year		
Work in progress	5,300.37	11,939.30
Total	**5,300.37**	**11,939.30**
Changes in inventories of work-in-progress and traded goods	**6,638.93**	**(3,745.42)**

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

23 Employee benefits expense

	March 31, 2025	March 31, 2024
Salaries,wages and bonus	1,943.00	1,693.72
Contribution to provident and other funds	98.13	70.14
Gratuity expense (refer note 29)	24.85	16.98
Staff welfare expenses	38.77	34.02
Share based payment expenses	10.98	7.63
Total	**2,115.73**	**1,822.49**

Accounting policy

Employees Stock Option Plan 2021 (ESOP 2021)

The Parent Company approved Employee Stock Option Plan at their meeting in January 2022. Pursuant to this approval, the Parent Company instituted ESOP 2021 Plan in January 2022. The compensation committee of the Parent Company administers this Plan. Each option carries with it the right to purchase one equity share of the Parent Company. The Options have been granted to employees of the Company at an exercise price that is not less than the face value of shares as on date of grant of such option. Option Granted under ESOP 2021 shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 3 (Three) years from the date of Grant. The vesting of the options is 33%, 33% and 34% of total options granted after end of first, second and third year respectively from the date of grant.The exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

	March 31, 2025		March 31, 2024	
	No. of options	Weighted average exercise price per share (Rs.)	No. of options	Weighted average exercise price per share (Rs.)
Options outstanding at the beginning of the year	599	15.25	-	-
Granted during the year	271	15.25	599	15.25
Forfeited during the year	-	-	-	-
Exercised during the year	-	-	-	-
Lapsed during the year	-	-	-	-
Options outstanding at the end of year	870	15.25	599	15.25
Options exercisable at the end of the year	198	15.25	-	-

There were no options exercised during the year.

The weighted average remaining contractual life is as follows:

Particulars	March 31, 2025	March 31, 2024
Exercise price	Rs. 15.25 per share	Rs. 15.25 per share
Weighted average contractual life (years)	5 Years	5 Years
No. of Options Outstanding	870	599

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	March 31, 2025	March 31, 2024
1. Exercise price (Rs.)	15.25	15.25
2. Price of underlying share in the market at the time of option grant	Rs. 4,485.35	Rs. 2,415.85
3. Weighted average fair value of options granted (Rs)	Rs. 4,384.98	Rs. 2,379.45
4. Expected life of the option (years)	3-5	5.00
5. Risk free interest rate (%)	7.56%	7.05%
6. Expected volatility (%)	14.09%	13.14%
7. Dividend yield (%)	0.47%	0.48%

The Company recorded an employee compensation cost of Rs. 10.98 (March 31, 2024 : Rs 7.63) in the Statement of Profit and Loss. The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

24 Finance cost

Accounting Policy

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

	March 31, 2025	March 31, 2024
Interest expense	892.57	730.07
Unwinding of discount	142.65	193.01
Total	**1,035.22**	**923.08**

The Company develops biomass biolers in regular course of business which are classified as qualifying asset. The term loans are taken to finance these projects. The amount of borrowing costs pertaining to such term loans capitalised during the year ended March 31, 2025 was Rs. 166.40 (March 31, 2024: Rs. 322.63). The borrowings are specific to each projects and are accordingly capitalised.

25 Depreciation and amortization expense

	March 31, 2025	March 31, 2024
Depreciation of property, plant and equipment (note 4)	67.93	47.28
Amortization of intangible assets (note 5)	0.66	3.05
Total	**68.59**	**50.33**

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

26 (a) Other expenses

	March 31, 2025	March 31, 2024
Consumption of stores and spares	523.76	335.85
Site expenses and contract labour charges	3,740.12	2,664.06
Rates and taxes	9.46	3.17
Insurance	14.76	19.02
Repairs and maintenance		
Plant and machinery	129.50	116.93
Leased assets	562.93	368.53
Others	4.26	1.97
Travelling and conveyance	205.24	229.63
Legal and professional fees (includes payment to statutory auditor (refer note (b))	178.34	201.80
Loss on discard of asset	0.52	-
Expenditure on Corporate Social Responsibility (refer note (c))	49.20	36.06
Corporate cost allocation (refer note 30)#	374.00	200.00
Advances written off	-	21.63
Miscellaneous expenses (includes courier charges, bank charges, etc.)	168.28	172.73
Total	**5,960.37**	**4,371.38**

This pertains to IT and administrative overhead allocated from holding company for common cost incurred

(b) Payment to auditors

	March 31, 2025	March 31, 2024
As auditor:		
Audit fees	18.97	17.90
In other capacity:		
Certification services	0.77	1.50
Reimbursement of expenses	0.97	0.88
Total	**20.71**	**20.28**

(c) Corporate Social Responsibility (CSR)

	March 31, 2025	March 31, 2024
(a) Gross amount required to be spent by the Company during the year	49.20	36.06
(b) Amount approved by board to be spent	49.20	36.06
(c) Amount spent during the year*	49.20	36.06
(d) Shortfall at the end of the year	-	-
(e) Total of previous years shortfall	-	-
(f) Reason for shortfall	NA	NA
(g) Nature of CSR activities	Education, Skill Development, Rural Development	Education, Skill Development, Rural Development
(h) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard:	49.20	36.06

*The amount is contributed to Thermax Foundation, India (refer note 30) which is engaged in education of economically underprivileged children by addressing social discrimination through affirmative actions, skill development and employability initiatives.

There is no provision for CSR expenditure as at March 31,2025. Thers is no shortfall in contribution as at March 31, 2025 and March 31, 2024.

27 Earnings per share

Accounting policy

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the owners of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares (which includes the various stock options granted to employees).

Particulars	March 31, 2025	March 31, 2024
Net profit after tax attributable to the owners of the company	3,629.79	2,593.76
Weighted average number of equity shares of Rs.10/- each	108,280,000	94,077,260
Basic Earning per share	3.35	2.76
Diluted Earning per share	3.35	2.76

28 Contingent liabilities and commitments:

Accounting policy

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. Contingent liabilities are reviewed at each reporting date.

Judgements

Contingencies relating to tax and legal matters

The Company has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable losses including the estimate of legal expense to resolve such matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

	March 31, 2025	March 31, 2024
Capital commitment		
Estimated amounts of contracts remaining to be executed on capital account (net of advance)	-	96.65
long term contracts with customer for assets yet to be leased to customers (net of advance)	1,101.19	2,046.48
Contingent Liability*		
Income tax demands disputed	649.45	649.45
Service Tax	82.37	-

*Excluding interest and penalties thereon.

Guarantees:

The Company has issued various guarantees for performance, advances, etc. which are not disclosed here as the probability of outflow for the same is considered remote.

The below guarantee has been issued for the purpose of various banking facilities for the subsidiary

Notes to the Standalone Financial Statements for the year ended March 31, 2025
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	March 31, 2025	March 31, 2024
Corporate Guarantee issued to bank on bahalf of subsidiary*	833.41	833.41

*Issued on behlf of Thermax Energy and Environment Lanka (Private) Ltd.

29 Gratuity

The Company operates a defined benefit plan of gratuity for its employees. Under the gratuity plan, every employee who has completed specified years of service gets a gratuity on departure at the rate of 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance Company in the form of qualifying insurance policy. The fund has formed a trust and it is governed by the Board of Trustees.

The fund is subject to risks such as asset volatility, changes in asset yields and asset liability mismatch risk. In managing the plan assets, Board of Trustees reviews and manages these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

I Changes in the net benefit obligation and fair value of plan assets are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023	**116.14**	**(115.96)**	**0.18**
Current service cost	15.57	-	15.57
Interest expense/(income)	5.71	(4.30)	1.41
Total amount recognised in the statement of profit or loss	**21.28**	**(4.30)**	**16.98**
Experience (gain) / loss	5.87	0.74	6.61
(Gain)/loss from change in financial assumptions	1.23	-	1.23
Return on plan assets expense/(income)	-	(0.23)	(0.23)
Total amount recognised in Other Comprehensive Income	**7.10**	**0.51**	**7.61**
Employer contributions	-	-	-
Mortality charges	-	0.04	0.04
Transfer In	20.71	-	20.71
March 31, 2024	**165.23**	**(119.71)**	**45.52**
Current service cost	24.19	-	24.19
Interest expense/(income)	6.28	(5.62)	0.66
Total amount recognised in the statement of profit or loss	**30.47**	**(5.62)**	**24.85**
Experience (gain) / loss	12.35	(1.49)	10.86
(Gain)/loss from change in financial assumptions	3.64	-	3.64
Return on plan assets expense/(income)	-	0.16	0.16
Total amount recognised in Other Comprehensive Income	**15.99**	**(1.33)**	**14.66**
Employer contributions	-	(32.04)	(32.04)
Benefits paid			
Benefits paid directly by the company	(42.08)	-	(42.08)
Mortality charges	-	-	-
Transfer In	0.18	(0.18)	-
March 31, 2025	**169.79**	**(158.88)**	**10.91**

II The net (asset)/liability disclosed above relates to funded plans are as follows :

Particulars	March 31, 2025	March 31, 2024
Present value of funded obligation	169.79	165.23
Fair value of plan assets	(158.88)	(119.71)
Net (asset)/liability	**10.91**	**45.52**

III Significant assumptions

Particulars	March 31, 2025	March 31, 2024
Discount rate	6.70%	7.20%
Salary growth rate	7.00%	7.00%
Expected return on plan assets	7.2% P.A.	7.4% P.A.
Normal retirement age	60 years	60 years
Mortality table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Employee turnover	12%	12%

IV Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	March 31, 2025	March 31, 2024
Discount rate		
1.00% increase	Decrease by 7.07	Decrease by 5.89
1.00% decrease	Increase by 7.99	Increase by 6.58
Future salary increase		
1.00% increase	Increase by 6.78	Increase by 5.54
1.00% decrease	Decrease by 6.12	Decrease by 5.06
Attrition Rate		
1.00% increase	Decrease by 0.13	Increase by 0.07
1.00% decrease	Increase by 0.15	Decrease by 0.08

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the prior period.

The following are the expected cash flows to the defined benefit plan in future years:

	March 31, 2025	March 31, 2024
Within next 12 months	7.98	16.93
Between 2-5 years	69.55	59.07
Between 5-10 years	134.60	123.55

The average duration of the defined benefit plan obligation at the end of the reporting period is 10.79 years (March 31, 2024: 9.72 years).

V The major categories of plan assets are as follows:

Particulars	March 31, 2025	March 31, 2024
Investments with Insurer (LIC of India)	100.00%	100.00%

Thermax Onsite Energy Solutions Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2025
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30 Related party disclosures

A Names of related parties and related party relationship:

Related parties where control exists

I Ultimate Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	RDA Holdings Private Limited	India

II Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Limited	India

III Subsidiary Companies

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Enernxt Private Limited	India
2	Thermax Energy and Environment Lanka (Private) Limited (w.e.f. September 06, 2023)	Sri lanka

B Related parties with whom transactions have taken place during the year and previous year :

Fellow Subsidiaries in India/Outside India

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	First Energy Private Limited	India
2	PT Thermax International, Indonesia	Indonesia
4	Thermax Energy & Environment Philippines Corporation	Philippines

Entities controlled by holding company or its KMP

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Marico Limited	India

C. Key management Personnel:

1 Mr. Arun Unni - Director (w.e.f. November 27, 2024)

2 Mr. Hemant Mohgaonkar - Director (upto November 27, 2024)

3 Mr. Rajendran Arunachalam - Director

4 Mr. Ashish Bhandari - Director

5 Mr. Sanjay Parande - Independent Director (upto April 27, 2023)

6 Mrs. Indu Jacob - Director (w.e.f. September 30, 2023 - upto October 08, 2024)

7 Ms. Khushboo Bhatia - Chief Executive Officer and Whole Time Director (WTD w.e.f. December 30, 2024)

8 Mr. Deepak Joshi-Chief Financial Officer (upto March 31, 2025)

9 Ms. Kajal Kabra - Company Secretary

D Individuals having control or significant influence over the Company by reason of voting power, and their relatives:

1 Mrs. Meher Pudumjee - Chairperson of Holding Company

2 Mrs. Anu Aga - Relative of Chairperson of Holding Company

3 Mr. Pheroz Pudumjee - Director of Holding Company

4 Mr. Zahaan Pudumjee - Relative of Chairperson of Holding Company

E Enterprises with whom transactions have taken place during the year, over which control is exercised by individuals listed in 'D' above:

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Foundation (formerly known as Thermax Social Initiative Foundation)	India

F Enterprises, directors of which provide key managerial personnel services to the parent of the company:

1 Marico Limited, India

Notes to the Standalone Financial Statements for the year ended March 31, 2025
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G Transactions with related parties:

	Holding Company		Subsidiary Companies		Subsidiaries of the Holding Company		Enterprises over which control is exercised by individuals mentioned in 'C', 'D' and 'F'		Key Management Personnel and relatives mentioned in 'D'		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
a. Transactions during the year												
Recovery of expenses	-	3.40	117.37^	49.29^	-	2.07	-	-	-	-	117.37	54.76
Repairs and maintenance of leased assets	49.97	97.39	-	-	-	-	-	-	-	-	49.97	97.39
Purchase of raw material and components	2,780.96	8,728.97	-	-	-	-	-	-	-	-	2,780.96	8,728.97
Site expenses and contract labour charges	43.24	43.64	-	-	-	-	-	-	-	-	43.24	43.64
Consumption of Stores & Spares	11.90	9.20	-	-	-	0.33	-	-	-	-	11.90	9.53
Corporate cost allocation	374.00	200.00	-	-	-	-	-	-	-	-	374.00	200.00
Reimbursement of expenses	131.74	46.13	-	-	3.96	-	-	-	-	-	135.70	46.13
Salaries,wages and bonus	118.39	135.09	-	-	-	13.02	-	-	243.10*	248.14*	361.49	396.25
Miscellaneous expenses	25.71	20.98	-	-	-	-	-	-	-	-	25.71	20.98
Donation	-	-	-	-	-	-	49.20	36.06	-	-	49.20	36.06
Purchase of property, plant and equipment and Intangible assets	3.06	23.44	-	-	-	-	-	-	-	-	3.06	23.44
Sales of Property Plant & Equipment	-	2.60	-	-	-	-	-	-	-	-	-	2.60
Sales of leased assets	-	-	-	-	-	-	-	-	-	-	-	-
Corporate Guarantee issued on behalf of Subsidiary Company	-	-	-	833.41	-	-	-	-	-	-	-	833.41
Bank Guarantee issued by the Company	-	-	-	-	-	-	-	75.00	-	-	-	75.00
Investment in Subsidiary	-	-	-	2,935.81	-	-	-	-	-	-	-	2,935.81
Loan given to Subsidiary	-	-	200.00	-	-	-	-	-	-	-	200.00	-
Advance received	-	-	24.73	-	-	-	-	-	-	-	24.73	-
Interest income	-	-	2.07	-	-	-	-	-	-	-	2.07	-
Proceeds from shares issued	-	3,600.00	-	-	-	-	-	-	-	-	-	3,600.00
Sale of product	958.51	521.79	-	-	-	-	513.20	436.86	-	-	1,471.71	958.65

*This includes amount paid by the Holding Company on behalf of the entity.

^This includes amount paid by the Company on behalf of its subsidiary.

	Holding Company		Subsidiary Companies		Subsidiaries of the Holding Company		Entities controlled by Holding company or its KMP		Key Management Personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
b. Balances as at reporting date												
Other amounts recoverable	-	27.14	97.38	18.27	-	-	-	-	-	-	97.38	45.41
Trade receivables	69.97	72.39	-	-	-	-	37.23	63.95	-	-	107.20	136.34
Advances given	175.02	631.91	-	-	-	3.36	-	-	-	-	175.02	635.27
Advances received	-	-	24.73	-	-	-	-	-	-	-	24.73	-
Trade deposits	65.00	65.00	-	-	-	-	75.00	75.00	-	-	140.00	140.00
Trade payables	324.99	1,203.44	-	-	3.96	12.69			-	-	328.95	1,216.13
Corporate Guarantee issued on behalf of Subsidiary Company	-	-	833.41	833.41	-	-	-	-	-	-	833.41	833.41
Bank Guarantee issued by the Company	-	-	-	-	-	-	75.00	75.00	-	-	75.00	75.00
Loan given to Subsidiary	-	-	202.07	-	-	-	-	-	-	-	202.07	-

Thermax Onsite Energy Solutions Limited

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

H The following provides total amount of related party transactions during the relevant financial year:

Particulars	March 31, 2025	March 31, 2024
Transactions during the year		
Recovery of expenses		
Thermax Limited, India	-	3.40
First Energy Private Limited	-	2.07
Thermax Energy and Environment Lanka (Private) Ltd.	48.11	-
Enernxt Private Limited	69.26	49.29
Repairs and maintenance of leased assets		
Thermax Limited, India	49.97	97.39
Purchase of raw material and components		
Thermax Limited, India	2,780.96	8,728.97
Corporate cost allocation		
Thermax Limited, India	374.00	200.00
Reimbursement of expenses		
PT Thermax International, Indonesia	3.96	-
Thermax Limited, India	131.74	46.13
Interest income		
Enernxt Private Limited	2.07	-
Site expenses and contract labour charges		
Thermax Limited, India	43.24	43.64
Consumption of Stores & Spares		
Thermax Limited, India	11.90	9.20
First Energy Private Limited	-	0.33
Miscellaneous expense		
Thermax Limited, India	25.71	20.98
Sale of products		
Marico Limited	513.20	436.86
Thermax Limited, India	958.51	521.79
Salaries,wages and bonus*		
Ms. Khushboo Bhatia	165.22	149.78
Mr. Zahaan Pudumjee	-	39.16
Mr. Deepak Joshi**	68.10	50.74
Ms. Kajal Kabra**	9.78	8.46
Thermax Limited***	118.39	135.09
Thermax Energy & Enviroment Philippines Corporation	-	13.02
Donation		
Thermax Foundation, India (formerly known as Thermax Social Initiative Foundation)	49.20	36.06
Purchase of property, plant and equipment and Intangible assets		
Thermax Limited, India	3.06	23.44
Sale of Property Plant & Equipment		
Thermax Limited, India	-	2.60
Proceeds from shares issued		
Thermax Limited, India	-	3,600.00
Investment in Subsidiary		
Thermax Energy and Environment Lanka (Private) Limited	-	2,935.81
Loan given to Subsidiary		
Enernxt Private Limited	200.00	-
Advance received		
Thermax Energy and Environment Lanka (Private) Ltd.	24.73	-
Corporate Guarantee issued on behalf of Subsidiary Company		
Thermax Energy and Environment Lanka (Private) Ltd.	-	833.41
Bank Guarantee issued by the Company		
Marico Limited	-	75.00

* Components of remuneration to key management personnel includes sitting fees to independent directors & reimbursement of expenses.

** These amounts have been reimbursed to the Holding company.

*** These amounts have been reimbursed to the Holding company for other employees.

Particulars	March 31, 2025	March 31, 2024
Balances as at the year end		
Other amounts recoverable		
Thermax Limited, India	-	27.14
Thermax Energy and Environment Lanka (Private) Ltd.	48.11	-
Enernxt Private Limited	49.27	18.27
Trade receivables		
Marico Limited, India	37.23	63.95
Thermax Limited, India	69.97	72.39
Advances given		
Thermax Limited, India	175.02	631.91
Thermax Instrumentation Limited	-	3.36
Trade deposits		
Marico Limited, India	75.00	75.00
Thermax Limited, India	65.00	65.00
Trade payables		
Thermax Limited, India	324.99	1,203.44
Thermax Energy & Environment Philippines Corporation	-	12.69
PT Thermax International, Indonesia	3.96	-
Corporate Guarantee issued on behalf of Subsidiary Company	833.41	833.41
Thermax Energy and Environment Lanka (Private) Ltd.		
Loan given to Subsidiary		
Enernxt Private Limited	202.07	-
Advance received		
Thermax Energy and Environment Lanka (Private) Ltd.	24.73	-
Bank Guarantee issued by the Company		
Marico Limited	75.00	75.00

I Terms and conditions of related party transactions

The sales to and purchases from related parties are assessed to be at arm's length transactions by the management. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash.

There have been no guranatees provided or received for any related party receivables or payables except as disclosed above. For the year ended March 31, 2025, the Company has not recorded any impairment of receivables relating to amounts owed by related parties (March 31, 2024 : Rs. Nil). The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Notes to the Standalone Financial Statements for the year ended March 31, 2025
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31 Fair value measurements

a) Category of financial instruments and valuation techniques

Details of financial assets carried at amortised cost

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Trade receivables	7 (a)	5,290.95	4,596.64
Finance lease receivable	8 (a)	22,965.08	16,759.93
Other financial assets	8 (b)	1,013.93	762.63
Cash and bank balances	12(a)	620.97	24.22
Loans	7 (b)	202.07	-
Total financial assets		**30,093.00**	**22,143.42**
Current assets		9,759.73	7,429.35
Non-current assets		20,333.27	14,714.07
Total financial assets		**30,093.00**	**22,143.42**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Details of financial assets carried at fair value through profit & loss.

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Investments	6	1,999.47	1,953.15
Total		**1,999.47**	**1,953.15**
Current assets		1,999.47	1,953.15
Non current assets		-	-
Total		**1,999.47**	**1,953.15**

The fair value of units of mutual funds are based on net asset value as at the reporting date.

Details of financial liabilities carried at amortised cost

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Borrowings	15	10,561.41	11,957.73
Trade payables	16	2,895.43	4,170.33
Trade deposits	17	2,133.16	2,594.36
Other financial liabilities	17	568.59	469.46
Total financial liabilities		**16,158.59**	**19,191.88**
Current liabilities		6,104.81	8,749.46
Non-current liabilities		10,053.78	10,442.42
Total financial liabilities		**16,158.59**	**19,191.88**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

b) Fair value hierarchy

The company measures financial instruments - investment in mutual funds using Level I inputes as defined in note 2.3 (c). There has been no transfer between Level 1 and Level 2 during the year and during the previous year.

32 Financial risk management - objectives and policies

The Company's principal financial liabilities, comprise loans and borrowings, trade deposits, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include finance lease receivables, trade and other receivables, and cash and bank balances.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's financial risk activities are governed by appropriate policies and procedures and the financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

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

The sensitivity analysis in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

The sensitivity analysis has been prepared on the basis that the amount of debt and the average interest rate prevalent during the financial year.

The analysis excludes the impact of movement in market variables on: the carrying values of gratuity and other post-retirement obligations; provisions.

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	Impact on profit before tax	
	March 31, 2025	March 31, 2024
Interest rate		
- Increase by 100 basis points	(105.61)	(119.58)
- Decrease by 100 basis points	105.61	119.58

II 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 financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Trade receivables

Customer credit risk is managed by the company subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. An impairment analysis is performed at each reporting date on an individual basis for major customers. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments

Credit risk from balances with banks and financial institutions is managed by the treasury department in accordence with the policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The company has no unhedged foreign currency exposure outstanding as at March 31, 2025 and March 31, 2024.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and bank balances, the basis of expected cash flows. This is generally carried out by the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the company operates.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity profile on their contractual maturities for :

March 31, 2025	Note No.	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative					
Borrowings	15	2,639.79	4,113.16	2,998.57	809.89
Trade payables	16	2,895.43	-	-	-
Trade deposits*	17	1.00	235.00	872.00	2,794.13
Other financial liabilities	17	568.59	-	-	-

March 31, 2024	Note No.	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative					
Borrowings	15	3,518.89	4,362.26	2,793.96	1,282.62
Trade payables	16	4,170.33	-	-	-
Trade deposits*	17	667.70	35.00	1,000.00	2,871.13
Other financial liabilities	17	469.46	-	-	-

*Represents contractual undiscounted cash flows. Such undiscounted cash flows differ from the amount included in the balance sheet because the balance sheet amount is based on discounted cash flows.

33 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long- term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the years ended March 31, 2025 and March 31, 2024. Capital represents equity attributable to equity holders of the Company.

Particulars	March 31, 2025	March 31, 2024
Borrowings	10,561.41	11,957.73
Less: Cash and bank balances	(620.97)	(24.22)
Net debt	**9,940.44**	**11,933.51**
Equity	25,243.00	21,613.20
Capital and net debt	**35,183.44**	**33,546.71**
Gearing ratio	**28.25%**	**35.57%**

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2025 and March 31, 2024.

34 Disclosure under Ind AS - 116 : Leases

Accounting policy

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

Judgements

A significant portion of the Company's business relates to leasing of assets under various arrangements. This requires the management to make judgements with respect to whether the arrangement contains a lease based on the substance of the arrangement and an assessment of whether the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset. The Company is also required to assess whether the lease transfers substantially all the risks and rewards incidental to ownership of an asset to classify the same as finance leases requiring significant judgements.

Segregation of lease and non-lease components of the consideration

For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract in accordance with Ind AS 115. The standard requires allocation of the transaction price to each performance obligation (or distinct good or service) in a way that depicts the amount of consideration to which the entity expects to be entitled in exchange for transferring the promised goods or services to the customer. This requires the management to make significant estimates around the amount of consideration to which the entity expects to be entitled.

The Company allocates the transaction price to each performance obligation on a relative stand-alone selling price basis by determining the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices. Since the consideration is inclusive of the lease component, the stand-alone selling price is not directly observable. Hence, the Company estimates the standalone selling price by considering all the information (including market conditions, entity-specific factors and information about the customer or class of customer) that is reasonably available to the Company.

Except when the Company has observable evidence in accordance with Ind AS 115 that the entire discount relates to only one or more, but not all, performance obligations in a contract, the Company allocates a discount proportionately to all performance obligations in the contract. The proportionate allocation of the discount in those circumstances is a consequence of the Company allocating the transaction price to each performance obligation on the basis of the relative standalone selling prices of the underlying distinct goods or services.

i) Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. 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.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. 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 so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease. The Company allocates the transaction price to each performance obligation on a relative stand-alone selling price basis by determining

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

the stand-alone selling price at contract inception of the distinct good or service underlying each performance obligation in the contract and allocates the transaction price in proportion to those stand-alone selling prices.

At the inception of the lease, a Company recognize the following for each of its finance leases:

(a) revenue being the fair value of the underlying asset, or, if lower, the present value of the lease payments accruing to the lessor, discounted using a market rate of interest;

(b) the cost of sale being the cost, or carrying amount if different, of the underlying asset less the present value of the unguaranteed residual value; and

(c) selling profit or loss (being the difference between revenue and the cost of sale) in accordance with its policy for outright sales.

a) Amount receivable under Finance lease - where the Company is a lessor

The Company has entered into certain arrangements with its customers where the Company will supply heat/steam/treated water by installing the boiler/heater/water treatment plant at the customers' premises. The Company has determined, that fulfilment of these arrangements is dependent on the use of a specific assets and the arrangement conveys a right to use these specific asset to the customers. Accordingly, these arrangements qualify as arrangements in the form of lease as specified in Ind-AS 116. Based on the evaluation of terms and conditions of these arrangements, such as the contract term constituting a major part of the economic life of the specific assets ,the fair value of the asset and that it has transferred the significant risks and rewards in these assets to the customers, these lease arrangements have been classified as finance leases.

Particulars	Gross Investment in lease		Present value of minimum lease payments	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Within one year	5,651.89	4,167.12	2,831.26	2,049.49
After one year but not more than two years	5,331.06	3,846.39	2,854.72	1,982.10
After two years but not more than three years	4,989.11	3,619.82	2,860.32	2,002.53
After three years but not more than four years	4,543.70	3,380.24	2,763.64	2,012.89
After four years but not more than five years	3,985.38	2,975.45	2,542.69	1,859.85
More than five years	11,820.28	9,227.11	9,112.45	6,853.07
	36,321.42	**27,216.13**	**22,965.08**	**16,759.93**
Less: Unearned finance income	13,356.34	10,456.20	-	-
Present value of minimum lease payments receivable	22,965.08	16,759.93	22,965.08	16,759.93
	36,321.42	**27,216.13**	**22,965.08**	**16,759.93**

Particulars	March 31, 2025	March 31, 2024
Estimated unguaranteed residual value of assets under finance lease	-	-
Contingent rent recognised as Income during the year	-	-
Interest rate inherent in the lease	9.98% - 18.29%	10.82% - 18.29%

ii) Company as a lessee

The Company's leases primarily consist of leases for buildings and office equipment's. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

35. Segment information

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has identified the Chief Executive Officer as the chief executive decision maker of the Company.

Judgements

Ind AS 108 'Operating Segments' requires Management to determine the reportable segments for the purpose of disclosure in standalone financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Company has determined that the CODM is the Chief Executive Officer, based on its internal reporting structure and functions of the Company. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Board of Directors to assess performance and allocate resources. The management has determined that some of the segments exhibit similar economic characteristics and meet other aggregation criteria and accordingly aggregated into one reportable segment i.e. green energy and allied services.

For management purposes, the Company reports the details of operating segments as a single segment for "energy and allied services". The Chief Operating Decision Maker (CODM) reviews the information for this single segment only. Accordingly, Company has provided only entity wide disclosures.

Sales revenue by geographical segment

Particulars	March 31, 2025	March 31, 2024
Revenue from external customer (gross)		
India*	56,031.57	45,516.25
Outside India	-	-
Total	**56,031.57**	**45,516.25**

*Revenue of Rs.6,060.37 was derived from one customer that individually contributed more than 10% of total revenue in the current year and Rs. 12,408.61 was derived from two customers that individually contributed more than 10% of total revenue in the previous year.

Carrying amount of non current assets by geographical segment

Particulars	March 31, 2025	March 31, 2024
Assets within India	361.53	357.44
Assets outside India	-	-
Total	**361.53**	**357.44**

Addition to non current assets by geographical segment

Particulars	March 31, 2025	March 31, 2024
Assets within India	92.43	235.54
Assets outside India	-	-
Total	**92.43**	**235.54**

36 Key financial ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024:

Particulars	Numerator	Denominator	FY 2024-25	FY 2023-24	Variance	Reason for variance (for deviations more than 25%)
Current Ratio	Current assets	Current liabilities	2.57	2.29	12.23%	
Debt-Equity Ratio	Total debt i.e. Borrowings (Current+Non current)	Shareholder's equity	0.42	0.55	-23.64%	
Debt service coverage ratio	Earnings available for debt service ^	Debt service *	1.07	1.30	-17.69%	
Return on equity ratio	Profit after tax	Average shareholder's equity	15.00%	14.00%	7.14%	
Inventory turnover ratio	Cost of goods sold#	Average inventories	4.50	3.28	37.20%	Commissioning of lease sites in current year.
Debtors turnover ratio	Revenue from contracts with customers	Average trade receivables	8.86	9.40	-5.74%	
Trade payables turnover ratio	Total supplier purchases##	Average trade payables	11.82	12.39	-4.60%	
Net capital turnover ratio	Revenue from contracts with customers	Working capital **	4.50	3.14	43.31%	Increase due to significant increase in revenue from operation in current year while reduction in working capital requirement.
Net profit ratio	Profit after tax	Revenue from contracts with customers	7.00%	6.00%	16.67%	
Return on capital employed (ROCE)	Profit before tax + finance cost	Capital employed ***	17.00%	13.00%	30.77%	Increased profitability and prepayment of loan pertaining to one of the project
Return on investment (ROI)	Realised gains and unrealised gains on investments	Average investment	6.08%	9.29%	-34.59%	Higher return earned on mutual fund in last year.

Explanations:

^ Profit after tax + Finance cost + Depreciation and amortization for the year

* Repayment of borrowings + Interest paid

** Total current assets - Total current liabilities

*** Total equity + Total Debt + Deferred tax liability - Intangible Assets

#Cost of raw materials and components consumed + Purchase of traded goods + Changes in inventories of work-in-progress and traded goods

##Purchase of raw materials and components (refer note 22(a)) + Purchase of traded goods + Operating expenses (staff welfare and other expenses) incurred during the year.

37 Other Statutory Information:

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

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

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

(v) The Company have 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,

(vi) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) Other than as disclosed in the note 6(a), 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 Company shall:

Notes to the Standalone Financial Statements for the year ended March 31, 2025
(All amounts in Rupees Lakh, except per share data and unless stated otherwise)

(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.

38 The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, except for certain master, the audit trail feature is not enabled for changes made to master data in Oracle and changes made to the Oracle Database 19c using privileged/ administrative access rights. Further no instance of audit trail feature being tampered with was noted in respect of accounting software. Additionally, the audit trail of relevant prior years has been preserved as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years.

39 Exemption availed under Ind AS 110

As the consolidated financial statements are presented by the entity's holding Company, the entity has elected to apply the exemption available to it under Ind AS 110 and has opted to present only standalone financial statements.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration No.: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership No: 135859

Date: April 30, 2025
Place: Pune

For and on behalf of the Board of Directors of
Thermax Onsite Energy Solutions Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN: 10831177

Khushboo Bhatia
Director and CEO
DIN: 09019736

Kajal Kabra
Company Secretary

Mandar Dandekar
Chief Financial Officer

Date: April 30, 2025
Place: Pune

THERMAX COOLING SOLUTIONS LIMITED

Board of Directors
Sunil Raina (upto April 10, 2024)
Kirtiraj Jilkar
Sandeep Deshpande
Bhavesh Chheda (upto March 31, 2025)
Sandeep Raut (w.e.f. March 26, 2025)

Registered Office
Thermax House,
14, Mumbai – Pune Road, Wakdewadi,
Pune – 411003

Auditors
B. K. Khare & Co
Chartered Accountants
706/708, Sharda Chambers, New
Marine Lines, Mumbai – 400 020, India

Key Managerial Personnel
Ravi Shewade (Manager) (upto May 2, 2024)
C.V. Ramanan (Manager) (w.e.f. July 29, 2024)
Ajit Sharma (Chief Financial Officer)
(upto July 17, 2024)
Shubham Suresh Gholap (Chief Financial Officer)
(w.e.f. July 29, 2024)
Karan Parakh (Company Secretary)

Bankers
ICICI Bank

Corporate Office
Sai Chambers
15, Mumbai – Pune Road, Wakdewadi,
Pune - 411003

DIRECTORS' REPORT

Dear Shareholders,

The Directors present their Sixteenth Annual Report of the company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	**392.41**	0.00
Profit/(Loss) before depreciation	**36.68**	(2.91)
Depreciation and Amortisation	**0.00**	0.00
Profit/(Loss) before tax	**36.68**	(2.91)
Provision for taxation (incl. deferred tax)	**16.28**	0.00
Profit/(Loss) after tax	**20.40**	(2.91)

STATE OF COMPANY'S AFFAIRS

The company is a wholly owned subsidiary of Thermax Limited.

During the year, the company earned a total income of Rs. 392.41 Lakhs as against Rs. 0.00 Lakhs in the previous year. Current year profit after tax is Rs. 20.40 Lakhs as against previous year's profit after tax of Rs. (2.91) Lakhs.

MATERIAL CHANGES AFFECTNG FINANCIAL POSITION OF THE COMPANY

No material changes and commitments occurred after the close of the year till the date of this report, which affect the financial position of the Company.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the Company.

HEALTH & SAFETY

Safety and health at offices and project sites are of paramount importance for your company. All sites are equipped with necessary safety gears for the people working on sites.

DIVIDEND

The Board of Directors of your Company did not recommend any dividend during the financial year 2024-25.

AMOUNT PROPOSED TO BE CARRIED TO RESERVES

The company does not propose to transfer any amount to general reserve.

SHARE CAPITAL

The Paid-up Share Capital of the Company is Rs. 10 crores divided into 2 crores equity shares of Rs. 5/- each. During the year under review, the company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. Consequently, it has no unpaid / unclaimed deposit(s) as on March 31, 2025.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

During the year company has not given loans, guarantees and investments covered under the provisions of Section 186 and Section 134(3) (g) of the Companies Act 2013.

SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANY

Your Company does not have any Subsidiary / Associate / Joint Venture company and there was no change in the position during the financial year 2024-25.

ANNUAL RETURN

The Company does not have a website and hence in terms of provisions of Section 92 of the Companies Act, 2013 the requirement of publishing Annual Return is not applicable.

BUSINESS RISK MANAGEMENT

The company has identified and classified its key risks pertaining to the core business and has a broad framework in place for effective risk identification, review and mitigation. The company will continue to actively monitor and strengthen its risk management framework. The company had implemented Legatrix software to track & ensure timely statutory compliances. Same is also followed in current year.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal financial controls are reviewed by finance department on periodical basis. Authority Matrix in line with holding companies' levels of authority is implemented with board's approval during current year. Internal Audit is not applicable for the company as per section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014.

DIRECTORS

Currently, the Board of the company comprises three Directors. In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Mr. Kirtiraj Jilkar (DIN: 09675574) retires by rotation, and being eligible, offers himself for re-appointment as director.

The Members of the Company at their 15th Annual General Meeting held on July 26, 2024 approved the appointment of Mr. Bhavesh Chheda (DIN: 08558510). The Board of Directors vide their circular resolution dated March 26, 2025 have approved appointment of Mr. Sandeep Khemraj Raut (DIN: 10994665) as an Additional Director of the Company. Mr. Raut holds office up to the ensuring Annual General Meeting of the Company and a proposal for his appointment forms part of the Notice convening 16th AGM of the Company.

Further, Mr. Sunil Raina (DIN: 09160928) and Mr. Bhavesh Chheda (DIN: 08558510), resigned as Directors of the Company, effective from April 10, 2024 and March 31, 2025 respectively.

CHANGE IN KEY MANAGERIAL PERSONNEL (KMP)

During the year Mr. Ravi Shewade, Manager of the Company completed his term as Manager and Key Managerial Personnel of the Company on May 2, 2024. Mr. Ajit Sharma resigned as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from July 17, 2024.

The Board at its meeting held on July 29, 2024 appointed Mr. Shubham Gholap as Chief Financial Officer of the Company. The Board also approved appointment of Mr. C.V. Ramanan as the Manager and Key Managerial Personnel for a term of 3 years effect from July 29, 2024. The appointment of Mr. C.V. Ramanan is subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company. A proposal for his appointment forms part of the Notice convening 16th AGM of the Company.

BOARD MEETINGS

During the year, the Board met four times and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. Attendance details of the Board are as follows:

Name	Board Meetings			
	May 6, 2024	July 29, 2024	October 28, 2024	January 30, 2025
Mr. Kirtiraj Jilkar	P	A	A	P
Mr. Sandeep Deshpande	P	P	P	P
Mr. Bhavesh Chheda	P	P	P	P
Mr. Sandeep Raut#	NA	NA	NA	NA

 # Mr. Sandeep Raut was appointed as Additional Director w.e.f. March 26, 2025.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as may be amended from time to time.

AUDITORS

M/s B. K. Khare & Co. (Firm Registration: 105102W) have been appointed as the Statutory Auditors of the Company for a term of five years from the conclusion of Fifteenth Annual General Meeting until the conclusion of the Twentieth Annual General Meeting. The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

CONSERVATION OF ENERGY

Your Company participates in the activities of holding company in conservation of energy.

TECHNOLOGY ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo as per Section 134 (3) (m) of the Companies Act, 2013 is as given below:

(Rs. in Lakh)

Particulars	31-March-25	31-March-24
Earnings		
Revenue	**1.94**	-
Expenditure		
Royalty	**-**	-
Purchase of Material	**-**	-
Capital Expenditure		
Net	**1.94**	**-**

PARTICULARS OF EMPLOYEES

None of the employees are covered by the provisions contained in rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year there are no significant material orders passed by the Regulators / Courts which would adversely impact the going concern status of the company and its operations in future.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. The Company has a duly constituted Internal Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no cases pending at the beginning of the year / filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year there were no applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016.

THERMAX COOLING SOLUTIONS LIMITED

DETAILS OF DIFFERENCE BETWEEN THE AMOUNTS OF VALUATION AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE AT THE TIME OF TAKING A LOAN FROM THE BANKS OF FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

During the year under review, there is no instance of one-time settlement with any Bank or Financial Institution.

COST RECORDS APPLICABILITY

The provisions relating to maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 were not applicable on the Company during the financial year.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support extended by the company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of
Thermax Cooling Solutions Limited

Place: Pune,
Date: May 5, 2025

Kirtiraj Jilkar
Director
DIN: 09675574

Sandeep Raut
Director
DIN: 10994665

INDEPENDENT AUDITOR'S REPORT

To the Members of Thermax Cooling Solutions Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Thermax Cooling Solutions Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and 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, 2025, its Profits and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Financial Statements and our Auditors' 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 for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

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

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) Based on the records examined by us and according to information and explanations given to us, the Company has not paid/provided for managerial remuneration. Hence, the provisions of Section 197 of the Act related to managerial remuneration are not applicable.

   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 does not have any pending litigations which would impact on its 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;

      iv. a) The management has represented that, to the best of its knowledge and belief, 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 that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement;

      (v) The Company has not declared/paid/declared and paid any dividend during the year; and

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

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

per **Amit Mahadik**
Partner
Membership No. 125657
UDIN: 25125657BMLXRZ5950

Place of Signature: Pune
Date: May 5,2025

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

Report on the Internal Financial Controls with reference to financial statements under Clause (i) of sub section (3) of Section 143 of the Companies Act, 2013 ("the Act").

We have audited the internal financial controls with reference to financial statements of the Company as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

per **Amit Mahadik**
Partner
Membership No. 125657
UDIN: 25125657BMLXRZ5950

Place of Signature: Pune
Date: May 5,2025

THERMAX COOLING SOLUTIONS LIMITED

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

Re: Thermax Cooling Solutions Limited ('the Company')

(i) (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have intangible assets on the reporting date. Thus, reporting under clause 3(i)(a)(B) of the order is not applicable to the Company.

(b) The Company did not verify property, plant and equipment during the year but a regular program for physical verification of its property, plant and equipment is there which in our opinion is reasonable having regard to the size of the Company and nature of its property, plant and equipment.

(c) According to the information and explanations given to us, the Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee).

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, 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) The Company is in the business of rendering services and consequently, does not hold any inventory. Accordingly, the reporting under Clause 3(ii)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not 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 at any point of time during the year.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services Tax, Provident Fund, Income-tax, Cess and 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 and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of 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 other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Duty of Customs, Duty of Excise, Value added tax, Cess Income tax and any other material statutory dues as at 31 March 2025, which have not been deposited on account of any dispute. The statutory dues in respect of GST act as at 31 March 25 which have not been deposited with the appropriate authorities on account of a dispute are as under

Name of Statute	Nature of dues	Amount (Rs in lakhs)	Financial year to which pertains	Forum where dispute pending
GST Act	Goods and Service Tax	34,37,452 including penalty	2021-22	Deputy Commissioner of State Tax

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any loans or other borrowings during the year. Accordingly, the reporting under Clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, The Company did not raise any funds during the year hence, the requirement to report on clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, the Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, the Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year.

Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) Though establishment of vigil mechanism is not mandated for the Company by the Act, or by Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) ("SEBI LODR") Regulations, as represented by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

(xiv) In our opinion and based on our examination, the Company does not have an internal audit system and is not required to have an internal audit system as per the provisions of the act. Accordingly, reporting under clause 3(xiv) is not applicable to the company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company and subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year, The Company had incurred cash losses of Rs. 3.37 lakhs in the immediately preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year. However, there are no issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to 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) The provisions of Section 135 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

per **Amit Mahadik**
Partner
Membership No. 125657
UDIN: 25125657BMLXRZ5950

Place: Pune
Date: May 5, 2025

THERMAX COOLING SOLUTIONS LIMITED

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Property, plant and equipment	4	0.04	0.04
Total Non-current assets		**0.04**	**0.04**
II. Current assets			
Financial assets:			
(a) Trade receivables	5 (a)	266.13	-
(b) Cash and cash equivalents	8 (a)	41.12	1.25
(c) Bank balances other than (b) above	8 (b)	114.38	-
Other assets	7 (a)	32.85	10.35
Total Current assets		**454.48**	**11.60**
Total assets		**454.52**	**11.64**
Equity and Liabilities			
I. Equity			
Equity share capital	9	1,000.00	1,000.00
Other equity	10	(984.48)	(1,004.88)
Total Equity		**15.52**	**(4.88)**
II. Current liabilities			
Financial liabilities:			
(a) Trade payables	11 (a)		
Total outstanding dues of micro and small enterprises		92.66	-
Total outstanding dues of creditors other than micro and small enterprises		182.20	2.61
(b) Other liabilities	12	54.44	12.40
Other liabilities	13	94.65	0.29
Provisions	14 (a)	1.31	1.22
Income tax liabilities (net)		13.74	-
Total Current liabilities		**439.00**	**16.52**
Total equity and liabilities		**454.52**	**11.64**

Summary of material accounting policies	2
Summary of significant accounting judgements, estimates and assumptions	3

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

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	15	387.88	-
Other income	16	4.53	-
Total income (I)		**392.41**	**-**
Expenses			
Project bought-out and components	17	263.52	-
Employee benefits expenses	18	10.91	0.47
Finance cost	19	0.20	-
Depreciation and amortisation expense	20	-	-
Other expenses	21	81.10	2.90
Total expenses (II)		**355.73**	**3.37**
Profit before tax (III) = (I-II)		**36.68**	**(3.37)**
Tax expense			
Current tax		16.28	-
Deferred tax		-	-
Total tax expense (IV)		**16.28**	**-**
Profit for the year (V) = (III - IV)		**20.40**	**(3.37)**
Other comprehensive income			
A. Items that will be reclassified subsequently to profit or loss			
Net (loss) / gain on translation of foreign operations		-	-
Less: Income tax effect		-	-
		-	-
B. Items that will not be reclassified subsequently to profit or loss			
Re-measurement (loss)/gain of defined benefit plan		-	0.46
Less: Income tax effect		-	-
Total other comprehensive income for the period (net of tax) (VI)		**-**	**0.46**
Total comprehensive income for the period (VII = V+VI)		**20.40**	**(2.91)**
Earning per equity share [Nominal value Rs. 5 each (March 31, 2024: Rs. 5)] Basic and diluted		**0.10**	**(0.02)**

Summary of material accounting policies

Summary of significant accounting judgements, estimates and assumptions

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

As per our report of even date attached

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Reg No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: May 05, 2025

For and on behalf of the Board of Directors of Thermax Cooling Solutions Limited

Kirtiraj Jilkar
Director
DIN: 09675574

Sandeep Raut
Director
DIN: 10994665

Shubham Gholap
Chief Financial Officer

Ramanan C V
Manager

Karan Parakh
Company Secretary

Place: Pune
Date: May 05, 2025

Statement of Changes in Equity for the year ended March 31, 2025

((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

A Equity Share Capital^

Particulars	Note No.	No. of shares	Year ended March 31, 2025	Year ended March 31, 2024
Balance at the beginning of the year	9	20,000,000	1,000.00	2,000.00
Change in equity shares capital during the year	9	-	-	(1,000.00)
Balance at the end of the year	**9**	**20,000,000**	**1,000.00**	**1,000.00**

B Other equity^ (Refer note 10)

Particulars	Retained Earnings
As at April 01, 2023	**(1,123.19)**
Reduction of paid share capital of Rs 2000/- lacs to Rs 1000/- lacs	1,000.00
Loss arising on demerger of ACC business	(878.78)
Profit for the year	(3.37)
Other comprehensive income (net) (note 23)	0.46
Transaction cost for increase in share capital	-
As at March 31, 2024	**(1,004.88)**
Profit for the year	20.40
Other comprehensive income (net) (note 23)	-
As at March 31, 2025	**(984.48)**

^ There are no adjustments on account of prior period errors or due to changes in accounting policies.

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Lakhs , except stated otherwise)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows from operating activities**			
	Profit before tax		36.68	(3.37)
	Adjustment on account of demerger of ACC business		-	(878.78)
	Adjustments to reconcile profit before tax to net cash flows			
	Provision for impairment allowance of financial assets (net)	21	0.78	-
	Interest expense	19	0.20	-
	Interest income from bank	16	(2.62)	-
	Liabilities no longer required written back	16	(1.71)	-
	Cash flows before working capital changes		**33.33**	**(882.15)**
	Working capital adjustments			
	(Increase) / Decrease in trade receivables		(266.91)	400.10
	(Increase) / Decrease in inventories		-	124.94
	(Increase) / Decrease in other financial assets		-	19.37
	(Increase) / Decrease in other current assets		(22.50)	31.81
	Increase / (Decrease) in trade payables		273.76	(423.56)
	Increase/(Decrease) in other current liabilities		94.36	(428.59)
	Increase / (Decrease) in other financial liabilities		42.04	(100.21)
	Increase/ (Decrease) in provisions		0.09	(74.22)
			120.84	**(450.36)**
	Cash generated from operations		154.17	(1,332.51)
	Direct taxes paid (net of refunds)		(2.54)	2.91
	Net cash flow (used in)/ from operating activities		**151.63**	**(1,329.60)**
B)	**Cash flows from/ (used in) investing activities**			
	Purchase of property, plant and equipment		-	-
	Net proceeds from sale of property, plant and equipment		-	3.34
	Interest income on fixed deposit		0.74	-
	(Investment) in fixed deposits		(262.50)	-
	Redemption in fixed deposits		150.00	1,317.26
	Net cash flows (used in) investing activities		**(111.76)**	**1,320.60**
C)	**Cash flows from/ (used in) financing activities**			
	Interest paid		-	-
	Net cash flows from/ (used in) financing activities		-	-
	Net cash flow (used in) financing activities (C)		**-**	**-**
	Net (decrease) in cash and cash equivalents		**39.87**	**(9.00)**
	Cash and cash equivalents at the beginning of the year		1.25	10.25
	Cash and cash equivalents at the period ended		**41.12**	**1.25**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	Note No.	March 31, 2025	March 31, 2024
Cash and cash equivalents	8 (a)	41.12	1.25
Balances as per Cash flow statement		**41.12**	**1.25**

As per our report of even date attached

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Reg No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: May 05, 2025

For and on behalf of the Board of Directors of Thermax Cooling Solutions Limited

Kirtiraj Jilkar
Director
DIN: 09675574

Sandeep Raut
Director
DIN: 10994665

Shubham Gholap
Chief Financial Officer

Ramanan C V
Manager

Karan Parakh
Company Secretary

Place: Pune
Date: May 05, 2025

THERMAX COOLING SOLUTIONS LIMITED

Notes to financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

1. Corporate information

Thermax Cooling Solutions Limited ('the Company') carry business of setting up Energy Projects, Energy Exchange Platform and providing Energy Services. The Company's remaining business includes electrostatic precipitators (ESP), Regenerative Air Preheaters and related services. The Company is a public limited company incorporated and domiciled in India. The address of its registered office is Thermax House, 14, Mumbai – Pune Road, Wakdewadi, Pune - 411003, India. The Board of Directors have authorized to issue these financial statements on May 05, 2025. The CIN of the Company is U29299PN2009PLC134761."

2 Material accounting policies

2.1 Basis of preparation, measurement

a. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirement od Division II of Schedule III to the Companies Act, 2013 (Act) as applicable to the financial statements.

The preparation of the financial statements requires the use of certain critical accounting estimates, assumptions and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

b. Basis of measurement

The financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans whereby the plan assets are measured at fair value.

2.2 Summary of material accounting policies

a. Current and non-current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

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

b. Foreign currencies

The Company's financial statements are prepared in Rupees, which is the also functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of profit and loss."

c. Fair value measurement

The Company measures financial instruments, such as, derivatives 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. 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 asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant judgements, estimates and assumptions (note 3)
- Quantitative disclosures of fair value measurement hierarchy (note 27)
- Financial instruments (including those carried at amortized cost) (note 27)

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

d. Financial instruments

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.

Notes to financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Financial assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories by the Company.

(i) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/income in the statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables."

(ii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in Statement of profit and loss."

(iii) Equity investments

All equity investments in scope of Ind-AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognized by an acquirer in a business combination to which Ind-AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value.

The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to Statement of profit and loss, even on the sale of the investment. However, the Company may transfer the cumulative gain or loss within equity.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a ""pass-through"" arrangement; 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.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are provided in the following notes:

- Trade receivables - Refer note 5

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

2.3 Changes in accounting policies and disclosures

New and amended standards

The Ministry of Corporate Affairs has notified Companies (Indian Accounting Standards) Amendment Rules, 2023 dated 31 March 2023 to amend the following Ind AS which are effective for annual periods beginning on or after 1 April 2023. The company applied these amendments for the first-time.

(i) Definition of Accounting Estimates - Amendments to Ind AS 8

The amendments clarify the distinction between changes in accounting estimates, changes in accounting policies and the correction of errors. It has also been clarified how entities use measurement techniques and inputs to develop accounting estimates. The amendments had no impact on the company's financial statements.

(ii) Disclosure of Accounting Policies - Amendments to Ind AS 1

The amendments aim to help entities provide accounting policy disclosures that are more useful by replacing the requirement for entities to disclose their 'significant' accounting policies with a requirement to disclose their 'material' accounting policies and adding guidance on how entities apply the concept of materiality in making decisions about accounting policy disclosures. The amendments have had an impact on the company's disclosures of accounting policies, but not on the measurement, recognition or presentation of any items in the company's financial statements.

(iii) Deferred Tax related to Assets and Liabilities arising from a Single Transaction - Amendments to Ind AS 12

The amendments narrow the scope of the initial recognition exception under Ind AS 12, so that it no longer applies to transactions that give rise to equal taxable and deductible temporary differences such as leases. The amendments had no impact on the Company's financial statements. Apart from these, consequential amendments and editorials have been made to other Ind AS like Ind AS 101, Ind AS 102, Ind AS 103, Ind AS 107, Ind AS 109, Ind AS 115 and Ind AS 34."

3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Judgements

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

i. Revenue from contracts with customers

A significant portion of the Company's business relates to project contracts which is accounted using cost-based input method, recognizing revenue as the performance on the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Company has right to payment for performance completed till date, either contractually or legally. The input method requires management to make significant judgements of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

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 assumptions 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.

The areas involving critical estimates or judgements are:

a. Estimations used for fair value measurement (Refer note 2.2.d)

b. Estimates and assumptions related to useful lives and impairment of Property, Plant and Equipment (PPE) (Refer note 4)

c. Estimates and assumptions for income taxes (Refer note 6)

d. Estimates and assumptions related to provisions (Refer note 14)

e. Estimates, judgments and assumptions used for revenue from operations (Refer note 15)

f. Estimates and judgements used for contingent liabilities and commitments (Refer note 25)

4 (a) Property, Plant and Equipment

Accounting policy

Property, plant and equipment (PPE) is stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Gains or losses arising from derecognition of a tangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

The management has estimated, supported by independent assessment by professionals, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Computers and data processing units	3	3 to 6
Plant and equipment	5	15 to 20
Office equipment	5	15
Furniture and fixtures	10	10

Impairment of PPE

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses including impairment on inventory are recognized in the Statement of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Notes to financial statements for the year ended March 31, 2025

((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

The Company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

Description	Computer	Office Equipment	Furniture & Fixtures	Plant & Machinery	Total
Gross carrying amount					
As at April 01, 2023	**10.77**	**0.21**	**0.02**	**1.31**	**12.31**
Additions	-	-	-	-	-
Disposals / Transfer as per demerger scheme	(9.89)	(0.21)	(0.02)	(1.31)	(11.43)
As at March 31, 2024	**0.88**	**-**	**-**	**-**	**0.88**
Additions	-	-	-	-	-
Disposals	-	-	-	-	-
As at March 31, 2025	**0.88**	**-**	**-**	**-**	**0.88**
Accumulated depreciation					
As at April 01, 2023	9.84	0.17	-	1.22	11.23
Charge for the year	-	-	-	-	-
Disposals / Transfer as per demerger scheme	(9.00)	(0.17)	-	(1.22)	(10.39)
As at March 31, 2024	**0.84**	**-**	**-**	**-**	**0.84**
Charge for the year	-	-	-	-	-
Disposals	-	-	-	-	-
As at March 31, 2025	**0.84**	**-**	**-**	**-**	**0.84**
Net Block					
As at March 31, 2025	**0.04**	**-**	**-**	**-**	**0.04**
As at March 31, 2024	0.04	-	-	-	0.04

5 Trade receivables

Accounting policy

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

5 (a) Current trade receivables

	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Trade receivables	-	-
(i) Related parties (note 26)	-	-
(ii) Others	266.13	-
Total receivables	**266.13**	**-**
Break-up of security details		
Secured, considered good	-	-
Unsecured, considered good	266.91	-
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	266.91	**-**
Less: Impairment allowance	(0.78)	-
Total	**266.13**	**-**

The ageing of current trade receivables which are due for receipt:

Particulars		Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
				Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables- considered good	March 31, 2025	189.54	-	77.37	-	-	-	-	266.91
	March 31, 2024	-	-	-	-	-	-	-	-
(ii) Undisputed trade receivables- which have significant increase in credit risk	March 31, 2025	-	-	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-	-	-
(iii) Undisputed trade receivables- credit impaired	March 31, 2025	-	-	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-	-	-
Subtotal	**March 31, 2025**	**189.54**	**-**	**77.37**	**-**	**-**	**-**	**-**	**266.91**
	March 31, 2024	-	-	-	-	-	-	-	-
Less: impairment allowance*	March 31, 2025								(0.78)
	March 31, 2024								-
Total	**March 31, 2025**								**266.13**
	March 31, 2024								-

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member. For terms and conditions relating to related party receivables, refer note 26.

The Company has recorded an impairment of receivables relating to amounts owed by related parties as per the policy. The assessment is undertaken each financial year by examining the final contract completion milestones of the related party with the end customer.

Trade receivables are non-interest bearing and are generally on terms of 30-90 days.

5 (b) Expected credit loss (ECL)

Accounting policy

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month. The Company considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The following table summarises the change in impairment allowance measured using the life time expected credit loss model (Pursuant to Ind AS 109):

Estimates and assumptions

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, the Company uses a provision matrix to determine impairment loss allowance on portfolio of its trade receivables for its Indian operations. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analyzed. On that basis, the Company estimates a default rate of 0.2% of total revenue for trade receivables and 0.5% of contract revenue for contract receivables. The Company follows provisioning norms based on ageing of receivables to estimate the ECL provision. For retention receivables, the Company additionally categorizes the receivables due from Public Sector Undertakings (PSUs) and Non-PSUs and follows a wider aged bucket provisioning norm as the performance guarantee tests require certain time period ranging up to 8 and 10 years respectively. Refer note 5 and 12 for details of impairment allowance recognized as at the reporting date.

Particulars	Provision on trade receivables		Provision on unbilled revenue	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	-	79.28	-	19.37
Less: Bad debts/write off	-	-	-	-
	0.78	79.28	-	19.37
Add: Provision made during the year	-	-	-	-
Less: Transferred under scheme of demrger	-	(79.28)	-	(19.37)
Less: Utilized/reversed during the year	-	-	-	-
Exchange differences		-	-	-
At the end of the year	**0.78**	**-**	**-**	**-**

6 Income taxes

Accounting policy

Tax expense comprises current tax expense and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside the Statement of profit and loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside the Statement of profit and loss is recognized outside the Statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

Notes to financial statements for the year ended March 31, 2025

((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements and in other management reports, which, among other things, reflect the potential impact of climate-related development on the business, such as increased cost of production as a result of measures to reduce carbon emission.

The major components of income tax expense for the year ended are:

Statement of profit and loss

	As at March 31, 2025	As at March 31, 2024
Current income tax	16.28	-
Income tax expense reported in the Statement of profit and loss	**16.28**	**-**

7 Other assets

7 (a) Other current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured considered good		
Advances to suppliers	11.54	-
Others Amounts Recoverable	21.31	10.35
Total	**32.85**	**10.35**

There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which a director is a partner or a member.

8 (a) Cash and cash equivalents

Accounting policy

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- in current accounts	41.12	1.25
Total	**41.12**	**1.25**

8 (b) Other bank balances

	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity of more than 3 months but less than 12 months *	114.38	-
Total	**114.38**	**-**

9 Share capital

Accounting policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares or stock options are recognized as a deduction from equity, net of any related income tax effects.

	As at March 31, 2025	As at March 31, 2024
Authorized shares		
100,000,000 (March 31, 2024 : 100,000,000) Equity Shares of Rs 5 /- each.	5,000.00	5,000.00
	5,000.00	**5,000.00**
Issued, subscribed and fully paid share capital		
20,000,000 (March 31, 2024 : 20,000,000) Equity Shares of Rs 5 /- each.	1,000.00	1,000.00
Total issued, subscribed and fully paid-up share capital	**1,000.00**	**1,000.00**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the period

	No. of shares	Amount
Equity share of Rs. 5 each issued, subscribed and fully paid		
As at April 01, 2023	**20,000,000**	**1,000.00**
Changes during the year	-	-
As at March 31, 2024	**20,000,000**	**1,000.00**
Changes during the year	-	-
As at March 31, 2025	20,000,000	1,000.00

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by holding company/ promoter

	As at March 31, 2025	As at March 31, 2024
Thermax Limited	1,000.00	1,000.00
20,000,000 (March 31, 2024: 20,000,000) equity shares of Rs. 5/- each fully paid		

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2025	As at March 31, 2024
Thermax Limited*		
%	100.00	100.00
No. of shares (including 6 share held by nominee shareholders)*	20,000,000	20,000,000

*As per the records of the company, including it's register of shareholders/ members and other declaration received from shareholders regarding beneficial interest, the above shareholding represents the legal ownership of shares.

*Includes 6 shares (March 31, 2024: 6 shares) held by nominee shareholders.

(e) There are no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

10 Other equity

Accounting policy

Dividend to equity shareholders is recognized as a liability in the period in which the dividends are approved by the equity shareholders. Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognized as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of directors.

	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
Retained earnings		
Opening balance	(1,004.88)	(1,123.19)
Add: Gain on Demerger (Transfer of Assets over Liabilities) (refer note 37)	-	(878.78)
Add: Reduction of paid share capital of Rs 2000 lacs to Rs 1000 lacs	-	1,000.00
Add: Profit for the year	20.40	(3.37)
Movement during the year	20.40	(3.37)
Items of other comprehensive income recognized directly in retained earnings:		
Re-measurements gain of post-employment benefit obligations	-	0.46
Net (deficit) in the statement of profit and loss	**(984.48)**	**(1,004.88)**
Total	**(984.48)**	**(1,004.88)**

11 Trade payables

11 (a) Current trade payables

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises (note 11 (b))	92.66	-
Total outstanding dues of creditors other than micro and small enterprises		
(i) Related parties (note 26)	133.59	-
(ii) Others	48.61	2.61
Total	**274.86**	**2.61**

For terms and conditions with related parties, refer note 26.

Trade payables are non-interest bearing and are generally on terms of 30-90 days.

The ageing of current trade receivables which are due for receipt:

Particulars		Not Due	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
(i) Outstanding dues of micro and small enterprises	March 31, 2025	63.51	29.14	-	-	-	92.66
	March 31, 2024	-	-	-	-	-	-
(ii) Outstanding dues of creditors other than micro and small enterprises	March 31, 2025	155.06	1.26	-	-	-	156.32
	March 31, 2024	-	-	-	-	-	-
(iii) Disputed dues of micro and small enterprises	March 31, 2025	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	March 31, 2025	-	-	-	-	-	-
	March 31, 2024	-	-	-	-	-	-
Subtotal	**March 31, 2025**	**218.57**	**30.41**	**-**	**-**	**-**	**248.97**
	March 31, 2024	-	-	-	-	-	-
Unbilled trade payables	March 31, 2025						25.89
	March 31, 2024						2.61
Total	**March 31, 2025**						**274.86**
Total	March 31, 2024						2.61

Notes to financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

11 (b) Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.*

	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount outstanding (whether due or not) to micro and small enterprises	92.46	-
- Interest due thereon	0.20	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the period	39.28	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.18	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.02	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	-	-

*Information in this regard is on the basis of intimation received, on request made by the Company, with regards to registration of vendors under said Act.

12 Other financial liabilities

	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Employee related payables	0.06	-
Other payables to group company (note 26) *	54.38	12.40
Total	**54.44**	**12.40**

13 Other current liabilities

	As at March 31, 2025	As at March 31, 2024
Unearned revenue (note 15) (contract liabilities)	74.09	-
Statutory dues and other liabilities*	20.56	0.29
Total	**94.65**	**0.29**

* mainly includes GST, tax deducted at source, provident fund etc.

14 Provisions

Accounting policy

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Warranty provisions

Provisions for warranty-related costs are recognized when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty related costs is revised annually.

Provision for onerous contracts

A provision for onerous contracts is recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured at the present value of the expected net cost of continuing with the contract. Before a provision is established, the Company recognizes any impairment loss on the assets associated with that contract.

Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods. Past service costs are recognized 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 recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Estimates and assumptions

- **Defined benefit plans - gratuity**

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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 and mortality rates. 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 which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

14 (a) Current provisions

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for gratuity (note 28)	1.29	1.15
Provision for leave encashment	0.02	0.07
	1.31	**1.22**
Other provisions		
Provision for onerous contracts (net)	-	-
Provision for warranties	-	-
	-	**-**
Total	**1.31**	**1.22**

15 Revenue from operations

Accounting policy

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government. The specific recognition criteria described below must also be met before revenue is recognized.

The Company has following streams of revenue:

(i) Revenue from Engineering, Procurement and Construction contracts

Engineering, Procurement and Construction contracts are contracts (or a group of contracts secured together) specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Company identifies distinct performance obligations in each contract. For most of the project contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

The Company may promise to provide distinct goods or services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Company uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date

The Company recognizes revenue over time as it performs because of continuous transfer of control to the customer. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process as evidenced either by contractual termination clauses or by the rights of the Company to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternative use.

The Company uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

The Company estimates variable consideration amount which it expects to be entitled under the contract and includes it in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognized will not occur and when the uncertainty associated

Notes to financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

with it is subsequently resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Costs associated with bidding for contracts are charged to the Statement of profit and loss when they are incurred. Costs that relate directly to a contract and are incurred in securing the contract are included as part of the contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are not distinct from the existing contract due to the significant integration service provided under the contract prior to modifications and are therefore, accounted for as part of the existing contract. The effect of a contract modification is recognized as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Company recognizes the expected losses from onerous contract as an expense immediately. Penalties for any delay or improper execution of a contract are recognized as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

On the balance sheet date, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognized profits (less recognized losses) exceed progress billings; a contract represents a liability where the opposite is the case.

(ii) Revenue from sale of goods

If the criteria for revenue under over-a-period of time as mentioned above are not met, the company recognizes revenue at point-in-time. The point-in-time is determined when the control of the goods is transferred which is generally determined based on when the significant risk and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right of payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where the control has been transferred. The Company provides for warranty provision for general repairs up to 12-24 months on its products sold, in line with the industry practice. A liability is recognized at the time the product is sold. The Company does not provide any extended warranties.

(iii) Revenue from Sale of services

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized as the related services are performed on a time proportion basis under the contracts.

Estimates and assumptions

Constructions contracts

- Provisions for liquidated damages claims (LD's): The Company provides for LD claims where there have been significant contract delays and it is considered probable that the customer will successfully pursue such a claim. This requires an estimate of the amount of LD's payable under a claim which involves a number of management judgements and assumptions regarding the amounts to recognize.
- Project cost to complete estimates: at each reporting date, the Company is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, work-in-progress, billings in excess of costs and estimated earnings and accrued contract expenses.
- Recognition of contract variations: the Company recognises revenues and margins from contract variations where it is considered probable that they will be awarded by the customer and this requires management to assess the likelihood of such an award being made by reference to customer communications and other forms of documentary evidence.
- Provision for onerous contracts: The Company provides for future losses on long-term contracts where it is considered probable that the contract costs are likely to exceed revenues in future years. Estimating these future losses involves a number of assumptions about the achievement of contract performance targets and the likely levels of future cost escalation over time. Refer note 19 to the financial statements.

Judgements

Revenue recognition on construction contracts

A significant portion of the Company's business relates to construction of assets which are accounted using percentage-of-completion method, recognizing revenue as the performance on the contract progresses. This requires Management to make judgement with respect to identifying contracts which need to be accounted under percentage-of-completion method, depending upon the level of customization and the period of the fulfilment of the performance obligations under the contract. The percentage-of-completion method requires Management to make significant estimates of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

(a) Revenue from contracts with customers:

	March 31, 2025	March 31, 2024
Revenue from services	1.94	-
Revenue from projects and products	385.91	-
Total revenue from contracts with customers	**387.85**	**-**

(b) Other operating income

	March 31, 2025	March 31, 2024
Exchange fluctuation gain (net)	0.03	-
Total	**0.03**	**-**
Total revenue from operations	**387.88**	**-**

(c) Disclosure pursuant to Ind AS 115: Revenue from contracts with customers

i) Revenue by category of contracts:

	March 31, 2025	March 31, 2024
Over a period of time basis	385.91	-
At a point-in-time basis	1.94	-
Total revenue from contracts with customer	**387.85**	**-**

Revenue by geographical market:

	March 31, 2025	March 31, 2024
Within India	385.91	-
Outside India	1.94	-
Total revenue from contracts with customer	**387.85**	**-**

ii) Contract balances

Accounting Policy

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional and are transferred to Trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Contract assets: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and Customer advances.

The following table provides information about contract balances from contracts with customers as at the reporting date:

	As at March 31, 2025	As at March 31, 2024
Trade receivables (note 5 (a))	266.13	-
Unbilled revenue (Contract asset) (note 10 (b))	-	-
Unearned revenue (Contract liability) (note 13)	74.09	-

'Contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date on from projects and customised contracts. The Contract assets are transferred to Trade receivables when the rights become unconditional.

'The Contract liabilities relate to the unearned revenue (excess of billings or invoicing over revenue) and advance consideration received from customers and performance obligations still to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company's cash position.

iii) Revenue recognised in the reporting period that was included in the contract liability balance at the beginning of the year:

	March 31, 2025	March 31, 2024
Unearned revenue	-	-
Customer advance	-	-

iv) Changes in unbilled revenue and unearned revenue for the year

The explanation of the significant changes in the contract asset and the contract liability balances during the reporting period is presented in the table below

	March 31, 2025	March 31, 2024
Opening unbilled revenue (note 10 (b))	-	19.37
Opening unearned revenue (note 13)	-	61.68
	-	**(42.31)**
- Transfer under scheme of demerger (refer note 37)		42.31
- Transfer of contract assets to receivable from opening unbilled revenue	-	-
- Increase in revenue as a result of changes in the measure of progress from the opening unearned revenue	-	-
- Transfer of contract assets to receivable	(460.00)	-
- Increase in revenue as a result of changes in the measure of progress	385.91	-
- Onerous loss during the period	-	-
- Others*	**-**	**-**
Closing unbilled revenue (note 10 (b))	-	-
Closing unearned revenue (note 13)	**74.09**	**-**

* includes adjustments on account of onerous contracts, impairment allowance for the year etc

Performance obligation in project or a group of projects which are contracted at or near same time and negotiated simultaneously, are combined for the purpose of evaluation. The Company has estimated that multiple commitments pertaining to engineering procurement and commissioning of such projects is as single performance obligation which is spread over different accounting periods.

Performance obligation for products are evaluated on standalone basis, recognised at point in time. Generally, performance obligations for such contracts have an original expected duration of one year or less.

There are no major contracts with customers which have significant financing component included within them and therefore there is no difference between the timing of satisfaction of performance obligation vis a vis the timing of the payment.

Remaining performance obligations

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	March 31, 2025	March 31, 2024
Amount of revenue yet to be recognised for contracts in progress	74.09	-

The Company expects that a significant portion of the remaining performance obligation will be met in next 12-24 months.

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts that have an original expected duration of one year or less.

v) Reconciliation between revenue recognised in Statement of profit and loss and contract price

There is no significant variation between revenue recognised in Statement of profit and loss and contract price except price variation claims, which are considered to be part of contract price.

16 Other income

Accounting policy

Interest income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable.

	March 31, 2025	March 31, 2024
Interest income from financial assets at amortized cost	2.62	-
Liabilities no longer required written back	1.71	-
Miscellaneous income	0.20	-
Total	**4.53**	**-**

17 Projects bought outs and components consumed

	March 31, 2025	March 31, 2024
Inventories at the beginning of the year	-	-
Projects bought outs and Components	263.52	-
	263.52	**-**
Inventories at the end of the year	-	-
Total	**263.52**	**-**

Notes to financial statements for the year ended March 31, 2025

((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

18 Employee benefits expense

	March 31, 2025	March 31, 2024
Salaries and wages	10.06	0.47
Contribution to provident and other funds	0.68	-
Gratuity expense (note 28)	0.15	-
Staff welfare expenses	0.02	-
Total	**10.91**	**0.47**

19 Finance cost

Accounting policy

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

	March 31, 2025	March 31, 2024
Interest expense	0.20	-
Total	**0.20**	**-**

20 Depreciation and amortisation expense

	March 31, 2025	March 31, 2024
Depreciation on property, plant and equipment (note 4)	-	-
Amortisation on other intangible assets (note 4 (b))	-	-
Total	**-**	**-**

21 Other expenses

	March 31, 2025	March 31, 2024
Freight and forwarding charges	6.62	-
Site expenses and contract labour charges	17.74	-
Drawing, design and technical service charges	5.22	-
Rates and taxes	29.43	-
Travelling and conveyance	0.58	-
Legal and professional fees (includes payment to auditors; note 22)	7.25	2.90
Provision for impairment of financial assets (net of reversals)	0.78	-
Miscellaneous expenses (includes printing, communication, postage, security expense, etc.)	13.48	-
Total	**81.10**	**2.90**

22 Payment to auditors

	March 31, 2025	March 31, 2024
As auditor		
Audit fee	2.27	2.90
In other capacity		
Other services (Certification and reimbursement of expenses)	-	-
Total	**2.27**	**2.90**

23 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity (net of income tax) is shown below:

During the year ended March 31, 2025

	Retained Earnings
Re-measurement (losses)/gains on defined benefit plans	-
Total	**-**

During the year ended March 31, 2024

	Retained Earnings
Re-measurement gains/(losses) on defined benefit plans	0.46
Total	**0.46**

24 Earnings Per Share (EPS)

Accounting policy

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares (which includes the various stock options granted to employees).

The diluted potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (that is the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as at the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all years presented for any share splits and bonus shares issues including for changes effected prior to the authorization for issue of the financial statements by the Board of Directors.

	March 31, 2025	March 31, 2024
Net profit attributable to the equity shareholders of the Company	20.40	(3.37)
Weighted average number of equity shares of Rs.5/- each (Nos.)	20,000,000.00	20,000,000.00
Basic and diluted EPS	0.10	(0.02)

25 Contingent liabilities

Accounting policy

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Judgements

Legal contingencies

The Company has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations

or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable contingent losses including the estimate of legal expense to resolve the matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

a) Taxes

	March 31, 2025	March 31, 2024
Disputed GST and or VAT balances / liabilities		
- Tax	29.97	-
- Interest	24.92	-
- Penalty	3.00	-
Income tax matters	-	-

There are certain laws suits, disputes etc., including commercial matters that arises from time to time in the ordinary course of business for which amounts are not quantifiable by the management. However, based on management's assessment under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets", that the claims against the Company are not tenable/ probability of final outcome against the Company is low and therefore not disclosed as Contingent liability.

b) The Company has issued various guarantees for performance, advances etc. The management has considered the probability for outflow of the same to be remote and accordingly no amounts has been disclosed here.

26 Related party disclosures

A Holding Company and Utimate Holding Companies

Sr No.	Particulars	Place of business/ Country of incorporation	Ownership interest		Type
			March 31, 2025	March 31, 2024	
1	RDA Holdings Private Limited	India	-	-	Ultimate holding company
2	Thermax Limited	India	100.00%	100.00%	Holding company

B Fellow Subsidiaries with whom transactions have taken place during the year :

Sr No.	Particulars	Place of business/ Country of incorporation
1	Thermax Instrumentation Ltd	India

C Key Management Personnel :

Sr.No.	Name	Designation
1	Ravi Shewade	Manager (upto May 2, 2024)
2	Chandrahasan Venkata Ramanan	Manager (w.e.f. July 29, 2024)
3	Ajit Sharma	Chief Financial Officer (upto July 17, 2024)
4	Sunil Raina	Director (upto. April 10, 2024)
5	Bhavesh Chheda	Director (upto. March 31, 2025)
6	Sandeep Raut	Director (w.e.f. March 26, 2025)
7	Shubham Gholap	Chief Financial Officer (w.e.f. July 29, 2025)
8	Sandeep Deshpande	Director (w.e.f. November 3, 2022)
9	Kirtiraj Jilkar	Director (w.e.f. July 28, 2022)
10	Karan Parakh	Company Secretary (w.e.f. February 2, 2023)

D Individuals having control or significant influence over the Company by reason of voting power, and their relatives:

1 Mrs. Meher Pudumjee - Chairperson of Holding Company

2 Mrs. Anu Aga - Relative of Chairperson of Holding Company

3 Mr. Pheroz Pudumjee - Director of Holding Company

4 Mr. Zahaan Pudumjee - Relative of Chairperson of Holding Company

5 Ms. Lea Pudumjee - Relative of Chairperson of Holding Company

E Enterprise, over which control is exercised by individuals listed in 'D' above:

1	Thermax Foundation	India

(c) Transactions with related parties:

	As at March 31, 2025	As at March 31, 2024
Transactions during the year		
Thermax Limited:		
Purchase	146.00	-
Expenses recovered	9.80	10.35
Reimbursement of expenses	21.71	-
Thermax Instrumentation Limited		
Expenses recovered	**11.18**	**-**

(d) Balances with related parties:

	As at March 31, 2025	As at March 31, 2024
Balances as at the year end		
Thermax Limited		
Other Amounts Recoverable	2.09	-
Trade payables	133.59	-
Other financial liability	29.71	-
Thermax Instumentation Limited		
Other Amounts Recoverable	19.22	-
Other financial liability	24.67	12.40

(e) KMP Remuneration#

Particulars	March 31, 2025	March 31, 2024
Chandrahasan Venkata Ramanan*	-	-
Shubham Gholap*	-	-
Karan Parakh	9.71	-

#Does not include gratuity and leave encashment since the same is calculated for all employees of the company as a whole.

*No remuneration is paid by the company.

(f) Terms and conditions of related party transactions

The sales to and purchases from related parties are assessed to be at arm's length transactions by the management. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash.

Notes to financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

27 Fair value measurements

a) Category of financial instruments and valuation techniques

Break-up of financial assets carried at amortised cost

	As at March 31, 2025	As at March 31, 2024
Trade receivables	266.13	-
Cash and cash equivalents	41.12	1.25
Bank balances other than cash and cash equivalents	114.38	-
Loans	-	-
Other financial assets	-	-
Total	**421.63**	**1.25**
Current assets	421.63	1.25
Non-current assets	-	-
Total	421.63	1.25

The management has assessed that the carrying amounts of the above financial instruments appoximate their fair values.

Break up of financial liabilities carried at amortised cost

	As at March 31, 2025	As at March 31, 2024
Trade payable	274.86	2.61
Other liabilities	54.44	12.40
Total	**329.30**	**15.01**
Current liabilities	329.30	15.01
Non current liabilities	-	-
Total	**329.30**	**15.01**

The management has assessed that the carrying amounts of the above financial instruments appoximate their fair values.

28 Financial risk management

The Company's principal financial liabilities comprise trade and other payables and borrowings. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations. The Company's borrowings and investments are designated as financial liabilities and assets through profit or loss respectively.

Risk is inherent in the Company's activities but it is managed through a process of on going identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the years ended March 31, 2025 and March 31, 2024.

I Market risk

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates, foreign exchange rates and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all investments traded in the market.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Other than cash credit facility, the Company does not have any borrowings and hence there is no significant exposure to the risk of changes in market interest rates.

b Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Foreign exchange risk is managed on the basis of limits determined by management and a continuous assessment of current and expected exchange rate movements and entering into derivative contracts (foreign currency forward contracts) that hedge the maximum period of exposure of underlying transactions (i.e. highly probable forecast sales and purchases).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

c Price risk

The Company is not exposed to such kind of risk.

II 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 financing activities, including deposits with banks and other financial instruments.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets

Financial instruments and bank deposits

Credit risk from balances with banks and mutual funds is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments

The Company's maximum exposure to credit risk for bank balances and deposits as at March 31, 2025 and March 31, 2024 is the carrying amounts as disclosed in Note 8(a) and 8(b).

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the

dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

Particulars	Less than 1 year	1 to 3 years	More than 3 years	Total
As at March 31, 2025				
Borrowings	-	-	-	-
Trade payables	274.86	-	-	274.86
Other financial liabilities :				-
Employee related payables	0.06	-	-	0.06
Customer deposits	-	-	-	-
Other payables	54.38	-	-	54.38
	329.30	**-**	**-**	**329.30**
As at March 31, 2024				
Borrowings	-	-	-	-
Trade payables	2.61	-	-	2.61
Other financial liabilities :				
Employee related payables	-	-	-	-
Customer deposits	-	-	-	-
Other payables	12.40	-	-	12.40
	15.01	**-**	**-**	**15.01**

29 Key Financial Ratios

The following are analytical ratios for the year ended March 31, 2025 and March 31, 2024:

Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance	Reasons for variance
Current ratio	Current assets	Current liabilities	1.04	0.70	0.47	Improvement in current ratio due to positive cash flow in operating activities.
Return on equity ratio	Profit after tax	Average shareholder's equity	1.92	(0.01)	-249.03	Improvement in profit is on account of execution of EMS project.
Debtors turnover ratio	Revenue from operations	Average trade receivables	1.46	-	1.00	
Trade payables turnover ratio	Total supplier purchases*#	Average trade payables	1.29	-	1.00	
Net capital turnover ratio	Revenue from operations	Working capital **	25.06	-	1.00	
Net profit ratio	Profit after tax	Revenue from operations	0.05	-	1.00	
Return on capital employed (ROCE)	Profit before tax + finance cost	Capital employed ***	1.33	0.69	0.92	Improvement in profit is on account of execution of EMS project.
Return on investment (ROI)	Profit after tax	Shareholder's equity	1.31	0.69	0.90	Improvement in profit is on account of execution of EMS project.

Explanations:
** Total current assets - Total current liabilities
*** Total equity
#Projects bought outs and components consumed + Purchase of traded goods + (Increase) / decrease in inventories
*#Projects bought outs and components consumed + Purchase of traded goods + Other expenses - Provision for impairment allowance of financial asset (net) -Warranty expenses (net)

Notes to financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

30 Capital Management

For the purpose of the Company's capital management, capital includes issued equity capital to the equity holders. The primary objective of the Company's capital management is to maximise the shareholder value. The Company manages its capital structure and makes adjustments in light of changes in economic conditions. No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2024 and March 31, 2025.

	As at March 31, 2025	As at March 31, 2024
Trade payables	274.86	2.61
Less: Cash and cash equivalents	(155.50)	(1.25)
Net (surplus) / debt	**119.36**	**1.36**
Equity	15.52	(4.88)
Capital and net debt	**103.84**	**6.24**

31 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company does not have any charges or satisfaction which is yet to be registered with ROC beyond the statutory period

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

(v) 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

(vi) 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 Company 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,

(vii) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

32 Standards issued but not yet effective

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on March 31, 2025, MCA has not amended the Companies (Indian Accounting Standards) Amendment Rules, 2023 and hence reporting under this section is not applicable.

33 Compliance with section 143(3) for audit trail

The Company uses various accounting applications for maintaining their books of account. Out of these applications, the Company has made an assessment to identify the accounting software that are required to comply with requirements regarding audit trail (edit log) facility and allied requirements.

As per the above assessment, the Company uses a accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for certain transactions including master data and direct changes to data using certain privileged access rights for the application and/or the underlying database. Further no instance of audit trail feature being tampered with was noted in respect of accounting software wherever these elements are enabled.

The Company is in the process of assessing the above and will take appropriate measures to comply with the regulations.

As per our report of even date attached

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Reg No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: May 05, 2025

For and on behalf of the Board of Directors of
Thermax Cooling Solutions Limited

Kirtiraj Jilkar
Director
DIN: 09675574

Sandeep Raut
Director
DIN: 10994665

Shubham Gholap
Chief Financial Officer

Ramanan C V
Manager

Karan Parakh
Company Secretary

Place: Pune
Date: May 05, 2025

Thermax Babcock & Wilcox Energy Solutions Limited

Board of Directors
Ashish Bhandari, Chairman
Nawshir Mirza ceased (w.e.f July 22, 2024)
Pravin Karve
Ravinder Advani ceased (w.e.f April 24, 2024)
Rajendran Arunachalam
Rajani Kesari
Shyamak R. Tata
B.C. Rajesh

Registered Office
Dhanraj Mahal, 2nd Floor,
Chhatrapati Shivaji Maharaj Marg,
Near Regal Cinema, Colaba,
Mumbai - 400039, Maharashtra, India

Auditors
SRBC & Co. LLP (FRN- 324982E/E300003)
C, Ground Floor
Panchshil Tech park,
Yerawada, Pune - 411006.

Key Managerial Personnel
B.C. Rajesh, Chief Exceutive officer
Bhavesh Chheda, Chief Financial Officer
(ceased w.e.f March 31, 2025)
Sandeep Deshpande, Chief Financial Officer
(w.e.f May 7, 2025)
Apurva Gupte, Company Secretary

Corporate office
Energy House,
D-II Block, Plot No.38/39,
MIDC Chinchwad
Pune - 411019

Bankers
ICICI Bank Ltd.
Citibank N.A.,
Hong Kong & Shanghai Banking Corporation,
Union Bank of India

Manufacturing Facility
Plot No. A-2 & A-3, Khandala Industrial Area, Phase-I, MIDC, Village Kesurdi, Tal-Khandala, Dist. Satara-412802, Maharashtra.
Plant No. 5, 12, 15 at D-13, MIDC, Industrial Area, R.D. Aga road, Chinchwad, Pune- 411019
Survey No. 169, Village Dhrub, Taluka Mundra, Mundra 370421, District Kutch, Gujarat.
Plot No 21-1/2/3, GIDC Manjusar, Taluka Savali, District - Vadodara - 391775, Gujarat.

DIRECTORS' REPORT

Dear Shareholders,

Your directors take pleasure to present the Fifteenth Annual Report, together with the audited financial statements of your company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs.in crore)

Particulars	2024-25	2023-24
Total income	**2409.01**	2,304.33
Profit/(Loss) before exceptional items and tax	**303.05**	180.78
Exceptional items	**-**	-
Profit /(Loss) before tax	**303.05**	180.78
Current Tax	**73.90**	33.33
Deferred tax	**3.48**	15.09
Profit/ (Loss) for the year	**225.67**	132.36

STATE OF COMPANAY'S AFFAIRS

During the year, your company focused on expanding its portfolio of green and energy-efficient offerings by advancing Waste to Energy, Waste Heat Recovery, and Revamp-Retrofit solutions. These efforts, anchored on the expansion of existing product lines, have further strengthened your company's position as a provider of sustainable solutions, supporting customers in meeting their energy demands and sustainability goals.

Your company secured orders for large capacity Circulating Fluidized Bed Combustion (CFBC), Modular Oil and Gas, Biomass Fired and Waste heat recovery solutions (from the cement and steel sector) along with retrofit projects.

Through sustained focus on execution, operational excellence and working capital management, your company reinforced its commitment to customer satisfaction, operational efficiency and sound financial management.

AMOUNTS TRANSFERRED TO RESERVES

During the year amount of Rs. 52.70 crore was transferred from retained earnings to capital redemption reserve on account of redemption of Preference shares.

DIVIDEND

The Board of Directors have recommended a dividend of Rs. 2.25/- (22.5%) per equity share of face value of Rs. 10/- each for the year ended March 31, 2025. The dividend is subject to the approval of shareholders at the ensuing Annual General Meeting (AGM).

MATERIAL CHANGES AND COMMITMENTS

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relates and the date of this report.

CHANGES IN SHARE CAPITAL, IF ANY

The company redeemed preference shares on July 18, 2024 and thus there was a change in paid up share capital.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint Venture or Associate Company.

DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Details of Loans, Guarantees and Investments covered under the provisions of section 186 of the Companies Act, 2013 are given in the Financial Statements.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The company has constituted the Audit & Risk Management Committee in accordance with the provisions of the Companies Act, 2013 and thus direct access to the Chairperson of the Audit & Risk Management Committee in exceptional or appropriate cases would be provided in the said mechanism.

EMPLOYEE STRENGTH

The total number of permanent staff and workmen as on March 31, 2025 was 1,099.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, duly amended, in respect of employees of the company, will be provided upon request. In terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members and others entitled to receive it.

Any shareholder interested in obtaining such particulars may write to the company secretary. The information is also available for inspection at the corporate office during working hours up to the date of the Annual General Meeting.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The information on the conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the Companies (Accounts) Rules, 2014, is provided as Annexure 1.

BUSINESS RISK MANAGEMENT

The company has instituted proven and established best practices for risk management, adopted from its holding company. It utilizes a structured and documented project risk and opportunity management system to review bids for new business. Risk management and mitigation is an integral part of this process. It also tracks and manages identified risks through periodic reviews during project execution.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal audit observations and recommendations are presented to the audit & risk management committee for implementation of improvements/ modification of controls, as needed.

The internal control systems are adequate and commensurate with the nature and size of the business.

There are no findings which have significantly impacted the financial reporting.

SECRETARIAL STANDARDS

The Company has complied with the Secretarial standards issued by the Institute of Company Secretaries of India.

INTERNAL AUDIT

The internal audit at Thermax Group is carried out by the in-house Internal Audit Department with co-sourcing support. For scope determination, planning the audit and conducting reviews, the Internal audit department has been consistently following an audit cycle of July to June every year, which ensures review of transactions included in financial year April to March. The internal audit is risk based with a focus on controls for management of risks. The Directors consider this approach to meet the desired purpose of Internal Audit.

BOARD EVALUATION

The Board has put in place a mechanism for evaluation of its own performances and individual Directors. The evaluation of the Board was conducted based on the evaluation parameters such as Board composition and structure, effectiveness of the Board, participation at meetings, domain knowledge, and awareness etc.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Directors

Mr. Ravinder Advani and Mr. Nawshir Mirza have ceased to be Directors of the Company w.e.f. April 24, 2024 and July 22, 2024 respectively.

As per the provisions of the Companies Act, 2013 and the company's Articles of Association, Mr. Pravin Karve and Mr. Ashish Bhandari retire by rotation and being eligible offers themselves for re-appointment as directors.

Key Managerial Personnel (KMP)

Mr. Bhavesh Chheda, Chief Financial Officer (CFO) of the Company has tendered resignation w.e.f March 31, 2025. Mr. Sandeep Deshpande was appointed as the CFO and KMP of the Company w.e.f May 7, 2025.

Board Meetings

During the year, the Board met five times on May 8, 2024, July 30, 2024, November 8, 2024, January 31, 2025 and February 17, 2025. The intervening gap between the meetings was within the prescribed limit mentioned under the Companies Act, 2013. Details of meetings attended by the members are as follows:

Name	Date of Board meeting				
	May 8, 2024	July 30, 2024	November 8, 2024	January 31, 2025	February 17, 2025
Mr. Ashish Bhandari	P	P	P	P	P
Mr. Shyamak Tata	P	P	P	P	P
Mr. Rajendran Arunachalam	P	P	P	P	A
Mr. Pravin Karve	A	P	P	P	A
Mr. B. C Rajesh	P	P	P	P	P
Mrs. Rajani Kesari	P	P	P	P	P
Mr. Nawshir Mirza*	P	NA	NA	NA	NA

** Ceased during the year NA: Not applicable P: Present A: Absent*

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134 (3) (c) of the Companies Act, 2013, your directors, to the best of their knowledge and belief and according to the information and explanations obtained by them, state that -

a) In the preparation of the annual accounts for the year ended March 31, 2025, the applicable accounting standards have been followed;

b) Appropriate accounting policies have been selected and applied consistently and judgment and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on March 31, 2025 and of the profit of the company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

d) The annual accounts have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

BOARD COMMITTEES

Presently, the Board has the following three committees:

- Audit & Risk Management Committee
- Nomination & Remuneration Committee
- Corporate Social Responsibility Committee

Name of the Committee	Members/ Date of meetings	Date of Meeting			
		May 8, 2024	July 30, 2024	November 8, 2024	January 31, 2025
Audit & Risk Management Committee	Mr. Nawshir Mirza*	P	NA	NA	NA
	Mr. Shyamak Tata	P	P	P	P
	Mr. Rajendran Arunachalam	P	P	P	P
	Mrs. Rajani Kesari	P	P	P	P

** Ceased during the year P: Present NA: Not applicable*

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE:

Committee meeting was held on January 31, 2025 and all the members, Mr. Rajendran Arunachalam, Mr. Pravin Karve and Mr. B.C Rajesh were present.

Nomination and Remuneration Committee.

Mr. Rajendran Arunachalam, Mr. Ashish Bhandari and Mrs. Rajani Kesari are the members of the committee.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the company with promoters, directors, key managerial personnel or other designated persons which may have a potential conflict with the interest of the company at large.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators/Courts which would impact the going concern status of the company and its future operations.

PREVENTION OF SEXUAL HARASSMENT AT WORKPLACE

The company is committed to provide a safe and conducive work environment to its employees.

There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

STATUTORY AUDITORS

M/s. SRBC & Co. LLP, Chartered Accountants, were appointed as the statutory auditors of the Company till the conclusion of the 15th Annual General Meeting (AGM) of the company.

The Board at its meeting held on May 7, 2025 has recommended the appointment of M/s. Price Waterhouse Chartered Accountants LLP (ICAI Firm Registration No. 012754N/N500016) as the Statutory Auditors of the Company till the conclusion of 20th Annual General Meeting (AGM of the company) subject to the approval of the shareholders

SECRETARIAL AUDITORS

In accordance with the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M/s. Amit Jaste & Associates, Company Secretaries, Mumbai as the Secretarial Auditor of the Company. The Secretarial Audit Report is annexed herewith as "Annexure 2" and is self-explanatory.

COST AUDITORS

In terms of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune was appointed as the Cost Auditors of the company.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Audit & Risk Management Committee or the Board under section 143(12) of the Act.

EXPLANATIONS/COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARK MADE BY STATUTORY OR SECRETARIAL AUDITOR

Not applicable as no qualifications or remarks were made by the auditor in its report or by the secretarial auditor in its secretarial audit report.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As a part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects mainly in the area of education. The projects are in accordance with Schedule VII of the Companies Act, 2013. The CSR initiatives have been undertaken through Thermax Foundation. The detailed report on CSR is annexed as Annexure 3.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 and there is no instance of onetime settlement with any Bank or Financial Institution.

ACKNOWLEDGEMENTS

Your directors wish to place on record their gratitude for the valuable assistance and cooperation extended to the company by its employees, bankers, customers, strategic partners and all the stakeholders. Your directors look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of

Thermax Babcock & Wilcox Energy Solutions Ltd.

Place: Pune,
Date: May 7, 2025

Ashish Bhandari
Chairman
DIN: 05291138

Annexure-1 to the Directors' Report

Energy Conservation, Technology Absorption and Foreign Exchange Earnings & Outgo

[Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014]

A. Conservation of Energy

(i) Steps taken for Conservation of Energy

During the year, the following measures were taken for energy and resource conservation.

1. Electricity:

a) The company continued its efforts to utilise energy optimally at its manufacturing facilities and office locations. Energy conservation measures adopted across the company have made energy usage more efficient.

b) The company has successfully implemented Open access facility at Shirwal plant. The installed capacity is 1.5 mw. Plant is getting green power from Nov'24. The average units from green power (Open access) are 2.5 lakhs/month.

c) Energy house Solar plant is made operational, and it is giving avg. 6000 + units per month.

d) These initiatives have not only helped company to reduce its energy consumption and greenhouse gas emissions (1282 tCO_2e), but also to improve its operational efficiency and reduce cost.

2. Fuel:

During this year, there is no new project implemented.

3. Water:

The company continued its efforts to conserve water resources by recycling a major portion of its wastewater and reducing its water consumption as well as controlling water losses in manufacturing and office locations of the company. These efforts at factory locations of Pune, Savli, Mundra, Shirwal have resulted in saving 42648 m3 water during the year.

Third party water neutrality assessment is conducted to the current conditions at Shirwal during this year. Shirwal plant received "Water Positive Certificate".

ii) Steps taken by the company for utilizing alternate sources of energy:

The Company continues its efforts to utilize alternate sources of energy at plant locations. The total installed capacity of 772 kWp of rooftop captive solar power generation projects at Savli and Energy house offices at Pune.

The Company has procured renewable energy from Wind source through open access mechanism at Shirwal plant.

Further the company is in process of signing a contract for 2 MWp Solar power through Open access.

Expenditure on R&D- Nil

Foreign exchange Earnings and Outgo

During the year the company had Foreign Exchange inflow on accrual basis of 417 crores and Foreign Exchange outflow on accrual basis of 166 crores.

Thermax Babcock & Wilcox Energy Solutions Limited

ANNEXURE 2 TO THE DIRECTORS' REPORT

Annual Report on CSR Activities and CSR Policy

1. A brief outline on CSR Policy of the company

The Company is a wholly owned subsidiary of Thermax Limited. The Company is committed to contribute to the welfare of the community in which it is carrying out its business operations. Being a wholly owned subsidiary of Thermax Limited, it has been decided that the CSR policy of the company will be aligned with the CSR policy of Thermax Limited and the CSR activities of the company shall be conducted through Thermax Foundation (TF).

2. Composition of the CSR Committee

During the year, the Committee met once on January 31, 2025. Details of the Committee members and meetings attended by the members are as follows:

Sl. No.	Name of the Director	Designation /Nature of Directorship	Number of Meetings of the CSR Committee Held during the Year	Number of Meetings of the CSR Committee Attended During the Year
1	Rajendran Arunachalam	Chairman	1	1
2	Pravin Karve	Director	1	1
3	B.C. Rajesh	Director	1	1

3. Provide the web link where the composition of the CSR committee, CSR policy and CSR projects approved by the Board are disclosed on the website of the company : **https://www.thermaxglobal.com/corporate-governance-policies-and-disclosures/**

4. Average net profit of the company as per section 135(5):

5. (a) 2% of average net profit of the company as per section 135(5): 2.46cr.

(b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NA

(c) Amount required to be set off for the financial year, if any: NA

(d) Total CSR obligation for the financial year (7a+7b- 7c): 2.46cr. :

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

(b) Amount spent on administrative overheads: Nil

(c) Amount spent on impact assessment, if applicable : NA

(d) Total amount spent for the financial year [(a) + (b) + (c)]: 2.46cr.

(e) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in Rs.)	Amount Unspent (in Rs.)				
	Total Amount Transferred to Unspent CSR Account as per Section 135(6)		Amount Transferred to Any Fund Specified Under Schedule VII as per Second Provision to Section 135(5)		
	Amount	Date of Transfer	Name of the Fund	Amount	Date of Transfer
2.46cr.	NIL	-	NIL	-	-

(b) Excess amount for set off, if any

Sr. No.	Particulars	Amount (in Rs.)
(i)	2% of the average net profit of the company as per section 135(5)	**2.46cr.**
(ii)	Total amount spent for the financial year	**2.46cr.**
(iii)	Excess amount spent for the financial year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	-
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	-

7. (a) Details of unspend CSR amount for the preceeding three financial years - NIL

Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs)	Date of Transfer		
1								
2								
3								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: Yes/ No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per section 135(5): NA

B.C. Rajesh
(Chief Executive Officer & Director)

Rajendran Arunachalam
(Chairman, CSR Committee)

Thermax Babcock & Wilcox Energy Solutions Limited

ANNEXURE 3 TO THE DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT
For the Financial Year Ended March 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
THERMAX BABCOCK & WILCOX ENERGY SOLUTIONS LIMITED
Dhanraj Mahal, 2nd Floor,
Chhatrapati Shivaji Maharaj Marg,
Near Regal Cinema,
Colaba Mumbai MH 400039

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Thermax Babcock & Wilcox Energy Solutions Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(not applicable to the Company during the Audit period)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(not applicable to the Company during the Audit period)**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Overseas Direct Investment; (**(not applicable to the Company during the Audit period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Following sub-clauses (a) to (h) are not applicable to the Company during the Audit period as Company continues to be a Unlisted Public Company in its Articles under Section 2(71) of the Act)**

a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;

e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and

h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

(vi) Following important specific laws applicable to the Company, as confirmed by the Company were substantially complied with:

a. The Boilers Act, 1923
b. The Environment (Protection) Act, 1986
c. The Contract Labour (Regulation and Abolition), Act 1970

I have also examined compliance with applicable clauses of the following:

(i) Secretarial Standards (SS.1 relating to meetings of Board of Directors & SS.2 relating to General Meetings) issued by the Institute of Company Secretaries of India.

(ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; ***(Not applicable to the Company during the Audit Period)***

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except when meetings were called at shorter notice as permitted u/s. 173(3) of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of Board of Directors or Committee of Board as the case maybe.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- Mr. Ravinder Advani (DIN: 01677195), Director of the Company resigned w.e.f. 24th April, 2024.
- Mr. Nawshir Mirza (DIN: 00044816), Director of the Company resigned w.e.f. 22nd July, 2024.
- At the Annual General meeting held on 30th July, 2024, Mr. Rajesh Bukinkere Channakeshaviah (DIN: 10486449) was regularized as Director of the Company and was appointed as Whole Time Director of the Company w.e.f. 6th February, 2024.
- The Company at Annual General meeting held on 30th July 2024, Mr. Shyamak R. Tata (DIN: 07297729) was regularized as Director of the Company.
- The Company has approved of payment of dividend on Preference shares and redemption of 52,700,000 8% Cumulative Redeemable Preference shares (RPS) of Rs. 10 each by passing circular resolution on 18th July, 2024.
- The Company at Extra Ordinary General meeting held on 8th May 2024, passed a special resolution to increase the limit under section 186 upto Rs.1000 Cr.

For Amit Jaste & Associates
Practising Company Secretaries

Amit Jaste **FCS No.:7289**
Proprietor **CP No.:12234**
Date : 07/05/2025
Place: Mumbai
UDIN : F007289G000292376
Peer review no: 1751/2022

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report

"ANNEXURE A"

To,
The Members,
THERMAX BABCOCK & WILCOX ENERGY SOLUTIONS LIMITED
Dhanraj Mahal, 2nd Floor,
Chhatrapati Shivaji Maharaj Marg,
Near Regal Cinema, Colaba
Mumbai MH 400039

Our report of even date to be read along with this letter.

1) Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Amit Jaste & Associates
Practising Company Secretaries

Amit Jaste **FCS No.:7289**
Proprietor **CP No.:12234**
Date : 07/05/2025
Place: Mumbai
UDIN : F007289G000292376
Peer review no: 1751/2022

Thermax Babcock & Wilcox Energy Solutions Limited

Independent Auditor's Report

To the Members of Thermax Babcock & Wilcox Energy Solutions Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thermax Babcock & Wilcox Energy Solutions Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the Statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter

We draw attention to note 28 to the financial statements relating to the demand orders on the

Holding Company, Thermax Limited, for Rs. 1,238.85 crores by the Commissioner of Central Excise, Pune pertaining to the Boiler & Heater business transferred to the Company during the earlier years from the Holding Company. The department had filed an appeal before the Supreme Court, pending outcome of which, no provision has been considered necessary. Our opinion is not modified in respect of this matter.

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 Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 Charged with Governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report to the extent applicable, that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph 2(j)(vi) below on reporting under Rule 11(g);

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

   (d) The matter against the Company described in the 'Emphasis of Matter' paragraph above, in our opinion, may have an adverse effect on the functioning of the Company;

   (e) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended, specified under section 133 of the Act;

   (f) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (g) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 2 (j) (vi) below on reporting under Rule 11(g);

   (h) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this Report;

   (i) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid/ provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act;

   (j) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18(b) to the financial statements;

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

      iv. a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, 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 persons or entities, 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; and

      c) Based on such audit procedures performed that have been 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. a) The preference share dividend declared and paid by the Company during the year and until the date of this audit report is in accordance with section 123 of the Act;

      b) As stated in note 14(b) to the financial statements, the Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The dividend declared is in accordance with section 123 of the Act to the extent it applies to declaration of dividend; and

      vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for master data and direct changes to data when using certain access rights, as described in Note 36(b) of the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the audit trail of relevant prior year has been preserved by the company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 36(b) to the financial statements.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYJ8364
Place of Signature: Pune
Date: May 07, 2025

Thermax Babcock & Wilcox Energy Solutions Limited

Annexure 1 referred to in paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

Re: Thermax Babcock & Wilcox Energy Solutions Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) All Property, Plant and Equipment have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of use assets) or intangible assets during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transaction Act, 1988 and rules made thereunder.

ii. (a) The inventory has been physically verified by the management during the year except for inventories lying with third parties. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure for such verification is appropriate. Inventories lying with third parties have been confirmed by them as at March 31, 2025 and no discrepancies were noticed. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed in respect of such physical verification and confirmations.

(b) As disclosed in note 15 to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the quarterly returns/statements filed by the Company with such banks are in agreement with the unaudited books of accounts of the Company. The Company does not have sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

iii. (a) During the year, the Company has provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties as follows:

(Rs. Crores)

	Guarantees	Security	Loans	Advances in nature of loans
Aggregate amount granted / provided during the year (a) Holding Company (b) Others	-	-	345.00 0.71	-
Balances outstanding as at the balance sheet date in respect of above cases (a) Holding Company (b) Others	-	-	- 1.33	-

(b) During the year the investments made, guarantees provided, security given and the terms and conditions of the grant of all loans and advances in the nature of loans, investments and guarantees to companies, firms, Limited Liability Partnerships or any other parties are not prejudicial to the Company's interest.

(c) The Company has granted loans during the year to companies, firms, Limited Liability Partnerships or any other parties where the schedule of repayment of principal and payment of interest has been stipulated and the repayment or receipts are regular.

(d) There are no amounts of loans and advances in the nature of loans granted to companies, firms, limited liability partnerships or any other parties which are overdue for more than ninety days.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, guarantees, and security in respect of which provisions of sections 185 of the Act are applicable. and hence not commented upon. Loans, investments, guarantees and security in respect of which provisions of sections 186 of the Act are applicable have been complied with by the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, related to the manufacture of 'other machinery', and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

(vii) (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, duty of custom, cess and other statutory dues have generally been regularly deposited with the appropriate authorities though there have been a slight delay in a few cases. The provisions relating to sales tax, service tax and value added tax are not applicable to the Company.

According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) The dues of goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess, and other statutory dues have not been deposited on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount (Rs in Crore) ^	Period to which the amount relates	Forum where the dispute is pending
The Central Excise Act, 1944	Excise duty	1238.85	FY 2000-01 to FY 2017-18	Supreme Court
Income Tax Act, 1961	Income tax	4.97	AY 2011-12, AY 2012-13 and AY 2017-18	Appellate tribunal (Mumbai, Maharashtra)
		111.17	AY 2013-14 to AY 2016-17, AY 2021-22 and AY 2023-24	Appellate tribunal up to Commissioner of Income Tax (Appeals) (Mumbai, Maharashtra)

Central Sales Tax and Local Sales tax	Sales tax and Value Added Tax	2.90	FY 2007-08, 2009-10 to 2017-18	Appellate Tribunal (Maharashtra)
		1.32	FY 2006-07, 2014-15 and FY 2015-16	Appellate Authority upto Commissioner Level (Maharashtra and Gujarat)
The Indian Custom Act 1962	Custom duty	10.01	FY 2006-07	Appellate Tribunal, Mumbai
		0.61	FY 2017-18, FY 2018-19	Commissioner of customs (Appeal), Maharashtra
Goods and Services Tax Act, 2017	Goods and Services Tax	28.13	FY 2019-20 and FY 2020-21	Appellate Authority upto Commissioner Level (Maharashtra and Uttar Pradesh)
	Refund of Goods and Services Tax	Nil (net of input tax credit utilized Rs 0.41)	FY 2018-19	Commissioner of Central Tax (Appeals), Maharashtra

^excluding interest and penalty thereon

(viii) The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

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

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

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (3)(ix)(c) of the Order is not applicable to the Company.

(d) The Company did not raise any funds during the year hence, the requirement to report on clause (ix)(d) of the Order is not applicable to the Company.

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no material fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Act has been filed by cost auditor, secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clauses 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business.

(b) The Company follows a July to June internal audit cycle and accordingly the internal audit reports of the Company for the period under audit and issued till the date of our audit report, have been considered by us. As informed to us, the internal audit for remaining areas / scope is expected to be completed post issue of our audit report on these financial statements.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) The Group has one Core Investment Company as part of the Group.

(xvii) The Company has not incurred cash losses in the current and preceding financial year.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 33 to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) In respect of other than ongoing projects, there are no unspent amounts that are required to be transferred to a fund specified in Schedule VII of the Act, in compliance with second proviso to sub section 5 of section 135 of the Act. This matter has been disclosed in note 26(c) to the financial statements.

(b) There are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of the Act. This matter has been disclosed in note 26(c) to the financial statements.

(xxi) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(xxi) of the Order is not applicable to the Company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYJ8364
Place of Signature: Pune
Date: May 07, 2025

Annexure 2 as referred to in Paragraph 2(h) under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date

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

We have audited the internal financial controls with reference to financial statements of Thermax Babcock & Wilcox Energy Solutions Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYJ8364
Place of Signature: Pune
Date: May 07, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Property, plant and equipment	4 (a)	244.57	245.80
Capital work-in-progress	4 (a)	1.10	2.72
Right of use assets	4 (b)	41.75	42.47
Intangible assets	4 (c)	6.06	5.98
Intangible assets under development	4 (c)	-	1.06
Financial assets:			
(a) Investments	5 (a)	74.07	-
(b) Trade Receivables	6 (a)	3.17	6.07
(c) Loans	7 (a)	0.98	0.81
(d) Other assets	8 (a)	302.76	51.44
Deferred tax assets (net)	9	36.46	37.03
Income tax assets (net)		26.30	23.88
Other assets	10 (a)	0.53	1.95
Total non-current assets		**737.75**	**419.21**
II. Current assets			
Inventories	11	153.83	168.28
Financial assets:			
(a) Investments	5 (b)	217.15	408.12
(b) Trade Receivables	6 (b)	655.24	525.52
(c) Cash and cash equivalents	12 (a)	55.49	14.22
(d) Bank balances other than (c) above	12 (b)	459.92	227.11
(e) Loans	7 (b)	0.35	0.39
(f) Other assets	8 (b)	208.33	207.90
Other assets	10 (b)	83.05	90.53
Total current assets		**1,833.36**	**1,642.07**
Total assets (I+II)		**2,571.11**	**2,061.28**
Equity and liabilities			
III. Equity			
Equity share capital	13	628.22	628.22
Other equity	14(a)	415.19	197.97
Total equity		**1,043.41**	**826.19**
IV. Non-current liabilities			
Financial liabilities:			
(a) Borrowings	15 (a)	-	-
(b) Other liabilities	17 (a)	-	0.22
Provisions	18 (a)	7.57	7.86
Total non-current liabilities		**7.57**	**8.08**
V. Current liabilities			
Financial liabilities:			
(a) Borrowings	15 (b)	-	161.91
(b) Trade payables			
Total outstanding dues of micro enterprises and small enterprises	16 (a)	185.79	102.51
Total outstanding dues of creditors other than micro enterprises and small enterprises	16 (a)	249.08	254.49
(c) Other liabilities	17 (b)	40.44	28.59
Provisions	18 (b)	104.08	87.93
Income tax liabilities (net)		11.10	11.10
Other liabilities	19	929.64	580.48
Total current liabilities		**1,520.13**	**1,227.01**
Total equity and liabilities (III+IV+V)		**2,571.11**	**2,061.28**
Summary of material accounting policies	2		
Summary of significant accounting judgements, estimates and assumptions	3		

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

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per **Sumit Kumar Agrawal**
Partner
Membership No. 135859

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of
Thermax Babcock & Wilcox Energy Solutions Limited

Rajendran Arunachalam
Director
DIN: 08446343

Rajesh Bukinkere
Director and CEO
DIN: 10486449

Sandeep Deshpande
Chief Financial Officer

Apurva Gupte
Company Secretary

Place: Pune
Date: May 07, 2025

Thermax Babcock & Wilcox Energy Solutions Limited

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
Income			
Revenue from operations	20	2,339.28	2,257.64
Other income	21	69.73	46.69
Total Income (I)		**2,409.01**	**2,304.33**
Expenses			
Cost of raw materials and components consumed	22	1,322.14	1,394.81
(Increase) / Decrease in inventories of finished goods and work-in-progress	23	8.45	(3.78)
Employee benefits expense	24	213.41	195.13
Finance costs	25	8.94	12.17
Depreciation and amortisation expense	4	18.69	38.96
Other expenses	26(a)	534.33	486.26
Total expenses (II)		**2,105.96**	**2,123.55**
Profit before tax (III) = (I - II)		**303.05**	**180.78**
Tax expense	9		
Current tax		73.90	33.33
Deferred tax		3.48	15.09
Total tax expense (IV)		**77.38**	**48.42**
Profit for the year (V)=(III-IV)		**225.67**	**132.36**
Other comprehensive income			
A. Items that will be reclassified subsequently to profit or loss			
Net gain/(loss) on effective portion of cash flow hedges		(9.12)	3.79
Less: Income tax effect		2.29	(0.95)
	27 (b)	(6.83)	2.84
B. Items that will not be reclassified subsequently to profit or loss			
Re-measurement gain/(loss) of defined benefit plan		(2.45)	(3.34)
Less: Income tax effect		0.62	0.84
	27 (b)	(1.83)	(2.50)
Net other comprehensive income for the year (net of tax) (VI)		**(8.66)**	**0.34**
Total comprehensive income for the year (VII) = (V+VI)		**217.01**	**132.70**
Earnings per equity share (Basic and Diluted) [Nominal value per share Rs. 10/- (March 31, 2024: Rs. 10/-)]	27 (a)	3.59	2.11
Summary of material accounting policies	2		
Summary of significant accounting judgements, estimates and assumptions	3		

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

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per **Sumit Kumar Agrawal**
Partner
Membership No. 135859

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of
Thermax Babcock & Wilcox Energy Solutions Limited

Rajendran Arunachalam
Director
DIN: 08446343

Rajesh Bukinkere
Director and CEO
DIN: 10486449

Sandeep Deshpande
Chief Financial Officer

Apurva Gupte
Company Secretary

Place: Pune
Date: May 07, 2025

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

a) Equity Share Capital#

Particulars	Note No.	March 31, 2025 (Numbers)	March 31, 2025 (Amounts)	March 31, 2024 (Numbers)	March 31, 2024 (Amounts)
Balance at the beginning of the year	13	62,82,22,500	628.22	62,82,22,500	628.22
Changes in equity shares capital during the year	13	-	-	-	-
Balance at the end of the year	13	**62,82,22,500**	**628.22**	**62,82,22,500**	**628.22**

b) Other Equity# [Refer Note 14(a)]

Particulars	Reserves and surplus				Other reserves		Total other equity
	Capital redemption reserve	Capital reserve	Retained earnings	Total	Cash flow hedge reserve	Share option outstanding account	
As at April 1, 2023	**-**	**156.91**	**(88.40)**	**68.51**	**(3.30)**	**0.47**	**65.68**
Profit for the year (net of taxes)	-	-	132.36	**132.36**	-	**-**	**132.36**
Other Comprehensive Income (net)	-	-	(2.50)	**(2.50)**	2.84	**-**	**0.34**
Total comprehensive income	**-**	**-**	**129.86**	**129.86**	**2.84**	**-**	**132.70**
Shared based payment expense (note 35)	-	-	-	**-**	-	0.80	**0.80**
Exercise of share option (note 35)	-	-	-	**-**	-	(1.21)	**(1.21)**
As at March 31, 2024	**-**	**156.91**	**41.46**	**198.37**	**(0.46)**	**0.06**	**197.97**
Profit for the year (net of taxes)	-	-	225.67	**225.67**	-	**-**	**225.67**
Other Comprehensive Income (net)	-	-	(1.83)	**(1.83)**	(6.83)	**-**	**(8.66)**
Total comprehensive income	**-**	**-**	**223.84**	**223.84**	**(6.83)**	**-**	**217.01**
Transferred to Capital redemption reserve	52.70	-	(52.70)	-	-	-	-
Shared based payment expense (note 35)	-	-	-	-	-	0.21	0.21
As at March 31, 2025	**52.70**	**156.91**	**212.60**	**422.21**	**(7.29)**	**0.27**	**415.19**

There are no adjustments on account of prior period errors or due to changes in accounting polices.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per **Sumit Kumar Agrawal**
Partner
Membership No. 135859

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of
Thermax Babcock & Wilcox Energy Solutions Limited

Rajendran Arunachalam
Director
DIN: 08446343

Rajesh Bukinkere
Director and CEO
DIN: 10486449

Sandeep Deshpande
Chief Financial Officer

Apurva Gupte
Company Secretary

Place: Pune
Date: May 07, 2025

Thermax Babcock & Wilcox Energy Solutions Limited

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows from operating activities**			
	Profit before tax		303.05	180.78
	Depreciation on property, plant and equipment	4 (d)	16.78	37.19
	Depreciation of right of use assets	4 (d)	0.72	0.72
	Amortisation of intangible assets	4 (d)	1.19	1.05
	Provision for impairment allowance of financial assets (net)	26(a)	(5.01)	(27.08)
	Interest expense	25	5.05	8.53
	Unrealized foreign exchange (gain)/loss		0.96	0.77
	Provision for doubtful advances		1.06	2.53
	Bad debts	26(a)	12.01	33.23
	Unwinding of discount	25	3.89	3.64
	ESOP Expense (net of payment to holding company)	24	0.21	0.80
	Interest income	21	(39.13)	(29.92)
	Fair value gain on financial instrument at fair value through profit and loss (net)	21	(25.86)	(9.83)
	Liabilities no longer required written back	21	(1.25)	(3.78)
	Profit/(Loss) on sale/discard of property, plant and equipment (net)	26(a)	0.10	0.65
	Working capital adjustments			
	(Increase)/Decrease in trade receivables		(136.04)	18.27
	(Increase)/Decrease in inventories		14.45	33.76
	(Increase)/Decrease in other financial assets		(43.68)	(30.06)
	(Increase)/Decrease in other assets		5.95	44.35
	Increase/(Decrease) in trade payables		78.36	(78.47)
	Increase/(Decrease) in other liabilities		350.41	(43.58)
	Increase/(Decrease) in provisions		11.97	6.74
	Increase/(Decrease) in other financial liabilities		8.29	0.69
	Cash generated from operations		**563.48**	**150.98**
	Direct taxes paid (net of refunds received)		(76.32)	(27.77)
	Net cash flows from operating activities		**487.16**	**123.21**
B)	**Cash flows from/(used in) investing activities**			
	Purchase of property, plant and equipment, right of use (ROU) assets and intangible assets		(15.07)	(7.63)
	Sale of property, plant and equipment, right of use (ROU) assets and intangible assets		0.30	1.73
	Loan given to Holding Company		(345.00)	-
	Loan repayment from Holding Company		345.00	-
	Investments in fixed deposits with original maturity more than 3 months		(819.03)	(265.05)
	Proceeds from maturity of fixed deposits with original maturity more than 3 months		420.05	294.08
	Purchase of investments		(810.89)	(574.98)
	Sale of investments		897.00	375.41
	Gain on sale of investments		15.24	2.97
	Interest received		33.47	24.30
	Net cash flows from / (used in) investing activities		**(278.93)**	**(149.17)**
C)	**Cash flows from / (used in) financing activities**			
	Proceeds from borrowings	15	-	85.06
	Repayment of borrowings		(85.06)	(57.00)
	Redemption of preference shares		(52.70)	-
	Dividend on preference shares paid		(25.30)	-
	Interest paid		(3.90)	(4.30)
	Net cash flows from / (used in) financing activities		**(166.96)**	**23.76**
	Net increase/(decrease) in cash and cash equivalents		**41.27**	**(2.20)**
	Cash and cash equivalents at the beginning of the year		14.22	16.42
	Effect of exchange differences on revaluation of EEFC account		-	-
	Cash and cash equivalents at the end of the year		**55.49**	**14.22**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	Note No	March 31, 2025	March 31, 2024
Balances with Bank			
- in current accounts	12 (a)	6.21	14.22
- in Exchange Earners Foreign Currency (EEFC) account	12 (a)	10.27	-
- in deposits with original maturity of less than three months	12 (a)	39.01	-
Cash and cash equivalents at the end of the year		**55.49**	**14.22**

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per **Sumit Kumar Agrawal**
Partner
Membership No. 135859

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of
Thermax Babcock & Wilcox Energy Solutions Limited

Rajendran Arunachalam
Director
DIN: 08446343

Rajesh Bukinkere
Director and CEO
DIN: 10486449

Sandeep Deshpande
Chief Financial Officer

Apurva Gupte
Company Secretary

Place: Pune
Date: May 07, 2025

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

1. Corporate information

Thermax Babcock & Wilcox Energy Solutions Limited (the "Company") is a Company domiciled in India. The Company is engaged in designing, engineering, fabrication, supply, erection, operations and maintenance services, commissioning of subcritical and supercritical boilers. The Company caters to both domestic and international markets. The address of its registered office is Dhanraj Mahal, 2nd Floor, Chhatrapati Shivaji Maharaj Marg, Near Regal Cinema, Colaba, Mumbai 400039, India. These financial statements are authorized for issue by the Board of Directors on May 07, 2025. The CIN of the Company is U29253MH2010PLC204890.

2 Material Accounting Policies

2.1 Basis of preparation and measurement

(a) Basis of preparation

These financials statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, ("the Act") (Ind AS compliant schedule III) as applicable to the financial statements.

The preparation of the financial statements requires the use of certain critical accounting judgements, estimates and assumption. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in the note 3

(b) Basis of measurement

The financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments) and
- Defined benefit plans whereby the plan assets are measured at fair value.

2.2 Changes in accounting policies and disclosures

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after April 1, 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(a) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated August 12, 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after April 1, 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(b) Amendments to Ind AS 116 Leases

- Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after April 1, 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116. The amendments do not have a material impact on the Company's financial statements.

2.3 Summary of material accounting policies

(a) Current and non-current classification

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(b) Foreign currencies

The Company's financial statements are prepared in INR, which is the also functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of profit and loss. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

(c) Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant judgments, estimates and assumptions (Note 3)
- Quantitative disclosures of fair value measurement hierarchy (Note 31)
- Financial instruments (including those carried at amortised cost) (Note 31)

(d) Financial instruments

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.

Financial Assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories by the Company:

(i) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortisation is included in finance costs/income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

(ii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortised cost or as FVTOCI is classified as FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Derecognition of financial asset

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortised costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month ECL. The Company considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

(e) Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortised cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition, the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized 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 cost that are integral part on EIR. The EIR amortisation is included as finance cost in the Statement of Profit and Loss.

Derecognition of financial liability

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(f) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of profit and loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk.

Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as cash flow hedge.

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Statement of profit and loss. The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognized in statement of profit and loss.

Amounts recognized in OCI are transferred to the Statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized in OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognized in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

3 Significant accounting judgments, 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 revenue, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Judgments

In the process of applying the Company's accounting policies, management has made the judgments, which have the most significant effect on the amounts recognized in the financial statements

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions 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.

The areas involving estimates or judgements are:

Estimates and assumptions:

a. Impairment of Property, plant and equipment and Intangible assets (Refer note 4(e))

b. Useful lives of Property, plant and equipment and Intangible assets (Refer note 4)

c. Fair value measurement of unquoted financial instruments (Refer note 5 and 31)

d. Impairment of financial assets (Refer note 6 (c))

e. Recoverability of Deferred tax assets (Refer note 9)

f. Revenue from Contracts with Customers (Refer note 20)-

   (i) Provisions for liquidated damages claims (LDs)

   (ii) Project cost to complete estimates

   (iii) Recognition of contract variations

g. Defined benefits plan - gratuity (Refer note 24 (d))

h. Warranty provisions (Refer note 18)

Judgements:

a. Revenue recognition from contracts with customers (Refer note 20)
b. Contingencies relating to tax and legal matters (Refer note 28)
c. Segment reporting (Refer note 30)

4 (a) Property, plant and equipment

Accounting policy

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any all significant costs relating to the acquisition and installation of property plant and equipment are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred. The carrying amount of an item property, plant and equipment shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives;

the remaining components are depreciated over the life of the principal asset.

The management has estimated, supported by independent assessment by professionals, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Factory buildings	28 to 30	30
Other buildings	58	60
Roads	5 to 30	5 to 10
Office Equipment	15	15
Plant and equipment	5 to 25	15 to 20
Furniture and fixtures	15	10
Computers	4 to 6	3 to 6
Vehicles	8 to 10	8

Estimates and assumptions:

The Company determines, based on independent technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Property, Plant and Equipment and Capital work in progress

Particulars	Buildings	Plant and equipment	Office equipment	Computers	Furniture and fixtures	Vehicles	Total	Capital work in progress
Gross carrying amount as at April 1, 2023	**274.88**	**464.99**	**14.21**	**20.13**	**5.75**	**4.23**	**784.19**	**0.57**
Additions	-	0.56	0.51	1.33	-	0.73	3.13	5.28
Disposals/ Transfers/ Adjustment	-	(6.04)	(2.66)	(5.55)	(0.59)	(0.42)	(15.26)	(3.13)
Gross carrying amount as at March 31, 2024	**274.88**	**459.51**	**12.06**	**15.91**	**5.16**	**4.54**	**772.06**	**2.72**
Additions	-	11.98	1.45	2.30	-	0.22	15.95	14.33
Disposals/ Transfers/ Adjustment	-	(0.23)	(0.15)	(0.88)	(0.11)	(0.59)	(1.96)	(15.95)
Gross carrying amount as at March 31, 2025	**274.88**	**471.26**	**13.36**	**17.33**	**5.05**	**4.17**	**786.05**	**1.10**
Accumulated depreciation as at April 1, 2023	**71.81**	**404.43**	**6.49**	**14.20**	**4.69**	**1.72**	**503.34**	**-**
Charge for the year	8.99	25.51	0.51	1.52	0.19	0.47	37.19	-
Disposals	-	(6.00)	(2.29)	(5.26)	(0.56)	(0.16)	(14.27)	-
Accumulated depreciation as at March 31, 2024	**80.80**	**423.94**	**4.71**	**10.46**	**4.32**	**2.03**	**526.26**	**-**
Charge for the year	8.99	4.50	0.55	2.21	0.12	0.41	16.78	-
Disposals	-	(0.19)	(0.12)	(0.84)	(0.11)	(0.30)	(1.56)	-
Accumulated depreciation as at March 31, 2025	**89.79**	**428.25**	**5.14**	**11.83**	**4.33**	**2.14**	**541.48**	**-**
Net Block as at March 31, 2025	**185.09**	**43.01**	**8.22**	**5.50**	**0.72**	**2.03**	**244.57**	**1.10**
Net Block as at March 31, 2024	**194.08**	**35.57**	**7.35**	**5.45**	**0.84**	**2.51**	**245.80**	**2.72**

The Company recognises capital work in progress at cost, net of accumulated impairment loss, if any.

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The ageing details for capital work in progress (CWIP) are as follows:

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Project in progress	1.10	-	-	-	1.10
As at March 31, 2024					
Project in progress	2.72	-	-	-	2.72

For CWIP, there are no projects whose completion date is overdue or exceeded its cost as compared to its original plan for the year ended and as at March 31, 2025 and March 31, 2024.

4 (b) Right of use assets

Accounting policy

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Particulars	Leasehold land
Gross carrying amount as at April 1, 2023	**47.90**
Additions	-
Disposals/ Transfers/ Adjustment	-
Gross carrying amount as at March 31, 2024	**47.90**
Additions	-
Disposals/ Transfers/ Adjustment	-
Gross carrying amount as at March 31, 2025	**47.90**
Accumulated depreciation as at April 1, 2023	**4.71**
Charge for the year	0.72
Disposals/ Transfers/ Adjustments	-
Accumulated depreciation as at March 31, 2024	**5.43**
Charge for the year	0.72
Disposals/ Transfers/ Adjustments	-
Accumulated depreciation as at March 31, 2025	**6.15**
Net Block as at March 31, 2025	**41.75**
Net Block as at March 31, 2024	**42.47**

The Company has taken certain assets on lease which have been accounted in accordance with Ind AS 116, "Leases". Refer note 28B(b)(i) for further disclosure on leases.
Subsequent to the change in the status of the Company from Private Limited to Public Limited, the Company has applied for change in the name in the lease agreements which are pending before respective authorities.

4 (c) Intangible assets

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognized in the Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

A summary of amortisation rates applied to the Company's intangible assets is as below:

Asset category	Life (years)
Technical know how	10
Computer software	3 to 5

Particulars	Computer Software	Technical know-how	Total	Intangible assets under development
Gross carrying amount as at April 1, 2023	**15.30**	**32.97**	**48.27**	**-**
Additions	-	-	-	1.06
Disposals/ Transfers/ Adjustment	(6.36)	-	(6.36)	-
Gross carrying amount as at March 31, 2024	**8.94**	**32.97**	**41.91**	**1.06**
Additions	1.27	-	1.27	0.21
Disposals/ Transfers/ Adjustment	-	-	-	(1.27)
Gross carrying amount as at March 31, 2025	**10.21**	**32.97**	**43.18**	**-**
Accumulated depreciation as at April 1, 2023	**14.88**	**26.34**	**41.22**	**-**
Charge for the year	0.22	0.83	1.05	-
Disposals/ Transfers/ Adjustments	(6.34)	-	(6.34)	-
Accumulated depreciation as at March 31, 2024	**8.76**	**27.17**	**35.93**	**-**
Charge for the year	0.36	0.83	1.19	-
Accumulated depreciation as at March 31, 2025	**9.12**	**28.00**	**37.12**	**-**
Net Block as at March 31, 2025	**1.09**	**4.97**	**6.06**	**-**
Net Block as at March 31, 2024	**0.18**	**5.80**	**5.98**	**1.06**

The ageing details for intangible assets under development are as follows:

Intangible assets under development	Amount in Intangible assets under development for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025					
Project in progress	-	-	-	-	-
As at March 31, 2024					
Project in progress	1.06	-	-	-	1.06

For intangible assets under development, there are no projects whose completion date is overdue or exceeded its cost as compared to its original plan as at March 31, 2025 and March 31, 2024.

4 (d) Depreciation and amortisation expense

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation of property, plant and equipment (note 4 (a))	16.78	37.19
Depreciation of Right of Use Assets (note 4 (b))	0.72	0.72
Amortisation of Intangible assets (note 4 (c))	1.19	1.05
Total	**18.69**	**38.96**

4 (e) Impairment of PPE & intangible assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the assets or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been change in the assumptions used to determine the assets recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit or loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Impairment exists when the carrying value of an asset of cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flow are derived from the budget for the next five years as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested are recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the terminal growth rate used.

5 Investments

(a) Non Current Investments

	As at March 31, 2025	As at March 31, 2024
Investments at Fair value through Profit and Loss:		
Investments in Mutual Funds (quoted)	32.29	-
Investment in First Energy Nine Private Limited [7,20,000 (March 31, 2024: Nil) equity shares of Rs 10 each]* (unquoted)	0.72	-
Investments at Amortised cost:		
Investment in Corporate Deposits (unquoted)	41.06	-
	74.07	**-**
Aggregate amount of quoted investments	32.29	-
Aggregate amount of unquoted investments (book value)	41.78	-
Aggregate amount of unquoted investments (market value)	41.78	-
Aggregate amount of impairment in the value of investments	**-**	**-**

Investments at fair value through profit or loss reflect investment in quoted debt securities. Refer note 31 for determination of their fair values.

* The right to sell / transfer these shares are subject to terms and conditions of respective shareholder agreement.

(b) Current Investments

	As at March 31, 2025	As at March 31, 2024
Investments at Fair value through Profit and Loss:		
Investments in Mutual Funds (quoted)	190.65	299.16
Investments at Amortised cost:		
Investment in Corporate Deposits (unquoted)	26.50	108.96
	217.15	**408.12**
Aggregate amount of quoted investments	190.65	299.16
Aggregate amount of unquoted investments (book value)	26.50	108.96
Aggregate amount of unquoted investments (market value)	26.50	108.96
Aggregate amount of impairment in the value of investments	**-**	**-**

Investments at fair value through profit or loss reflect investment in quoted debt securities. Refer note 31 for determination of their fair values.

6 Trade receivables at amortised cost

Accounting policy

'A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(a) Non-current trade receivables

	As at March 31, 2025	As at March 31, 2024
Trade receivables from:		
i) Related parties (note 29)	-	-
ii) Others	3.17	6.07
Total	**3.17**	**6.07**
Trade Receivables		
Secured, considered good	-	-
Unsecured, considered good	3.17	8.35
Trade Receivables which have a significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	3.17	8.35
Less: Impairment allowance	**-**	**(2.28)**
Total	**3.17**	**6.07**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member.

For terms and conditions relating to related party receivables, refer note 29.

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The ageing of non current trade receivables

	Not Due	Total
Trade receivables as at March 31, 2025		
(i) Undisputed - considered good	3.17	**3.17**
(ii) Undisputed - which have significant increase in credit risk	-	**-**
(iii) Undisputed - credit impaired	-	**-**
(iv) Disputed - considered good	-	**-**
(v) Disputed - which have significant increase in credit risk	-	**-**
(vi) Disputed - credit impaired	-	**-**
Sub-Total	3.17	**3.17**
Less: impairment allowance		**-**
Total	**3.17**	**3.17**

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

	Not Due	Total
Trade receivables as at March 31, 2024		
(i) Undisputed - considered good	8.35	**8.35**
(ii) Undisputed - which have significant increase in credit risk	-	**-**
(iii) Undisputed - credit impaired	-	**-**
(iv) Disputed - considered good	-	**-**
(v) Disputed - which have significant increase in credit risk	-	**-**
(vi) Disputed - credit impaired	-	**-**
Sub-Total	8.35	**8.35**
Less: impairment allowance		**(2.28)**
Total		**6.07**

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

(b) Current trade receivables

	As at March 31, 2025	As at March 31, 2024
Trade receivables from:		
i) Related parties (note 29)	6.91	23.65
ii) Others	648.33	501.87
Total	**655.24**	**525.52**
Trade Receivables		
Secured, considered good	23.39	5.68
Unsecured, considered good	705.68	602.97
Trade receivables which have a significant increase in credit risk	3.87	6.82
Trade receivables - credit impaired	12.78	7.28
	745.72	**622.75**
Less: Impairment allowance*	(90.48)	(97.23)
Total	**655.24**	**525.52**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person nor any trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member.

*Includes provision of Rs.3.87 (March 31, 2024: Rs. 6.82) for trade receivable which have a significant increase in credit risk

For terms and conditions relating to related party receivables, refer note 29.

Trade receivables are non-interest bearing and are generally on terms of 0 to 150 days (March 31, 2024: 30 to 90 days).

The ageing of current trade receivables :

Particulars	Not Due	Outstanding for the following period from due date of receipts					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables as at March 31, 2025							
(i) Undisputed - considered good	198.07	404.42	57.18	30.38	8.78	28.67	**727.50**
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed - credit impaired	1.85	0.75	1.00	4.69	2.13	2.36	**12.78**
(iv) Disputed - considered good	-	-	-	-	-	1.57	**1.57**
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	3.87	**3.87**
(vi) Disputed - credit impaired	-	-	-	-	-	-	**-**
Sub-Total	**199.92**	**405.17**	**58.18**	**35.07**	**10.91**	**36.47**	**745.72**
Less: Impairment allowances							**(90.48)**
Total							**655.24**

Particulars	Not Due	Outstanding for the following period from due date of receipts					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Trade receivables as at March 31, 2024							
(i) Undisputed - considered good	126.51	342.13	56.32	35.34	13.95	34.40	**608.65**
(ii) Undisputed - which have significant increase in credit risk	-	-	-	-	-	2.95	**2.95**
(iii) Undisputed - credit impaired	-	-	0.26	2.54	2.56	1.92	**7.28**
(iv) Disputed - considered good	-	-	-	-	-	-	**-**
(v) Disputed - which have significant increase in credit risk	-	-	-	-	-	3.87	**3.87**
(vi) Disputed - credit impaired	-	-	-	-	-	-	**-**
Sub-Total	**126.51**	**342.13**	**56.58**	**37.88**	**16.51**	**43.14**	**622.75**
Less: Impairment allowances							**(97.23)**
Total							**525.52**

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

(c) Expected Credit Loss (ECL)

Accounting Policy

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortised costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month ECL. The Company considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Estimates and judgements

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, the Company uses a provision matrix to determine ECL impairment allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates a default rate of total revenue for trade receivables and contract revenue for contract assets. The Company follows provisioning norms based on ageing of receivables to estimate the impairment allowance under ECL. For retention receivables, the Company additionally categorizes the receivables due from Public Sector Undertakings (PSUs) and Non-PSUs and follows a wider aged bucket provisioning norms as the performance guarantee tests require certain time period after the supplies are completed. Refer note 6 and 8(b) for details of impairment allowance recognized at the reporting date.

The following table summarises the change in provision for impairment allowance measured using the life time expected credit loss model (pursuant to IND AS 109):

	Provision for trade receivables		Provision on contract assets	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	99.51	126.55	10.17	10.21
Provision made during the year	28.27	30.75	4.02	-
Utilized/reversed during the year	(37.30)	(57.79)	-	(0.04)
At the end of the year	**90.48**	**99.51**	**14.19**	**10.17**
Current	90.48	97.23	11.38	10.17
Non Current	-	2.28	2.81	-
Total	**90.48**	**99.51**	**14.19**	**10.17**

7 Loans at amortised cost

(a) Non-current loans

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Loans to employees	0.98	0.81
Total	**0.98**	**0.81**

(b) Current loans

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
At amortised cost		
Loans to related parties (note 29)	-	-
Loans to employees	0.35	0.39
Total	**0.35**	**0.39**

Loans are various kinds of non-derivative financial assets. The carrying value may be affected by the changes in the credit risk of the counterparties. The tenure of such loans has different time range based on employee's eligibility.

No loans are due from directors or Key Managerial Personnel of the Company either severally or jointly with any other person or from private companies or firms in which any director is a partner, a director or a member respectively.

For terms and conditions relating to loans given to related parties, refer note 29.

8 Financial assets

Accounting Policy

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivable on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Government grants

Government grants are recognized where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognized as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed.

When the grant relates to an asset, it is recognized as income in equal amounts over the expected useful life of the related asset.

The Company accounts for export incentives for export of goods if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim is fulfilled.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

(a) Other non current assets

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Bank deposits with remaining maturity of more than 12 months	245.36	35.01
Unbilled revenue (Contract assets)^	10.76	13.57
Security deposits #	3.12	2.86
Packaged Scheme of Incentive (PSI)*	43.52	-
Total	**302.76**	**51.44**

^Unbilled revenue is disclosed net of provision for impairment allowance of Rs.2.81 (March 31, 2024 : Rs. Nil) for contract assets.

includes rent deposits, deposits with MIDC, MSEB, etc.

(b) Other assets

	As at March 31, 2025	As at March 31, 2024
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts	3.30	0.36
Derivative instruments at fair value through profit or loss		
Derivative not designated as hedges		
Foreign exchange forward contracts	1.45	0.31
At amortised cost		
Government grant receivable		
-Export incentive receivable	1.72	0.20
-Packaged Scheme of Incentive (PSI)*	25.00	-
Security deposits	0.41	0.37
Unbilled revenue (Contract assets)^	176.45	205.28
Others**	-	1.38
Total	**208.33**	**207.90**

Financial assets at fair value through other comprehensive income reflect the change in fair value of foreign exchange forward contracts, designated as cash flow hedges to hedge highly probable forecast sales and purchases in various foreign currencies.

^Unbilled revenue is disclosed net of provision for impairment allowance of Rs.11.38 (March 31, 2024 : Rs. 10.17) for contract assets.

*Includes Rs 68.52 (March 31, 2024: Rs Nil) towards incentive receivable under Package Scheme of Incentives (PSI), 2007 from Government of Maharashtra upon compliance of conditions and receipt of requisite approval for the period up to 2021-22. (Refer note 20(b))

** includes amounts recoverable from gratuity trust Rs. Nil (March 31, 2024 : Rs. 1.38)

9 Income taxes

Tax expenses comprises of current tax expenses and deferred tax expenses.

Current tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Deferred tax

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

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

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 utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the when the asset is realized 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 recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

Estimates and assumptions

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

a) Statement of profit and loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	73.90	33.33
Deferred tax	3.48	15.09
Income tax expense reported in the Statement of profit and loss	**77.38**	**48.42**

(b) Other comprehensive income

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax related to items recognised in other comprehensive income during the year		
Net gain or loss on effective portion of cash flow hedge	(2.29)	0.95
Net gain or loss on remeasurements of defined benefit plans	(0.62)	(0.84)
Deferred tax (credited) / charged in other comprehensive income	**(2.91)**	**0.11**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

(c) Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Accounting profit before tax	303.05	180.78
At India's statutory income tax rate (as per Income Tax Act, 1961) of 25.168%	76.27	45.50
Permanent disallowances		
- Interest on preference shares	0.29	1.06
- Others (includes interest, warranties etc)	0.20	0.37
- Corporate Social Responsibility Expenses	0.62	0.36
-Others (includes adjustment due to earlier year assessment orders, adjustment for fair valuation of investments, other differences, etc.)	-	1.13
Total income tax expense reported in the Statement of profit and loss	**77.38**	**48.42**

d) Deferred tax
Statement of profit and loss

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax relates to the following :		
Impact of difference between tax depreciation and depreciation/ amortisation	2.19	(2.36)
Losses and unabsorbed depreciation utilised against current taxable income	-	17.66
40(a) disallowance	0.17	0.40
Items allowed on payment basis / temporary disallowances	(8.46)	(2.65)
Temporary differences due to accounting treatment as required by Income-tax standards	4.85	(1.12)
Provision for impairment allowances, doubtful advances and liquidated damages	2.24	3.21
Others	2.49	(0.05)
Deferred tax expense in the Statement of profit and loss	**3.48**	**15.09**

Balance sheet

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax relates to the following :		
Impact of difference between tax depreciation and depreciation/ amortisation	(17.25)	(15.06)
40(a) disallowance	0.25	0.42
Items allowed on payment basis / temporary disallowances	13.64	5.18
Temporary differences due to accounting treatment as required by Income-tax standards	2.23	7.08
Provision for impairment allowances, doubtful advances and liquidated damages	35.48	37.72
Others	2.11	1.69
Net deferred tax assets	**36.46**	**37.03**

Reconciliation of deferred tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance as at April 1	**37.03**	**52.23**
Tax (expense)/income during the period recognised in profit or loss	(3.48)	(15.09)
Tax (expense)/income during the period recognised in other comprehensive income	2.91	(0.11)
Closing balance as at March 31	**36.46**	**37.03**

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

10 Other assets

(a) Other non-current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Capital advance	0.53	1.29
Balances with government authorities	-	0.66
Total	**0.53**	**1.95**

(b) Other current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Advance to suppliers	51.26	55.54
Advance to employees	1.26	2.86
Advance to related parties (note 29)	14.41	2.28
Prepayments	2.64	2.21
Balances with government authorities	11.43	24.83
Prepaid employee benefits (note 24)	2.05	2.81
Total	**83.05**	**90.53**

There were no advances due from directors or officers of the Company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which such director is a partner or a member.

11 Inventories (Valued at lower of cost and net realizable value)

Accounting policy

Raw materials (including bought out), components, stores and spares are valued at lower of cost and estimated net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Finished goods and work in progress are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads based on normal operating capacity. Cost is determined on a weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Write down of inventories are calculated based on the analysis of foreseeable changes in demand, technology, market conditions and ageing of inventories.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

	As at March 31, 2025	As at March 31, 2024
Raw materials, components and bought-outs**	141.79	148.77
Work-in-progress	4.40	10.34
Finished goods	1.73	4.24
Stores and spares	5.91	4.93
Total	**153.83**	**168.28**

**includes goods in transit Rs. 12.13 (March 31, 2024 : Rs. 7.52).

For year ended March 31, 2025 Rs. 6.27 was recognised (net of reversal) as an expense for inventories carried at net realisable value. For year ended March 31, 2024 Rs. 0.33 was reversed (net of expense) for inventories carried at net realisable value. These were recognised during the year and included in cost of raw materials and components consumed and consumption of stores and spare parts in the Statement of profit and loss.

12 (a) Cash and cash equivalents

Accounting policy

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- Balances in current accounts	6.21	14.22
- Balances in Exchange Earners Foreign Currency (EEFC) account	10.27	-
- in deposits with original maturity of less than three months	39.01	-
Total	**55.49**	**14.22**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

12 (b) Other bank balances - at amortised cost

	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity :		
- more than three months but less than twelve months	459.92	227.11
Total	**459.92**	**227.11**

12 (c) Changes in liabilities arising from financing activities

	Borrowings
As on April 1, 2023	129.62
Cash flow	28.06
Interest accretion on preference shares	4.23
As on March 31, 2024	**161.91**
Cash flow	(163.06)
Interest accretion on preference shares	1.15
As on March 31, 2025	**-**

13 Share capital

Accounting policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

	As at March 31, 2025	As at March 31, 2024
Authorized shares (Nos)		
900,000,000 (March 31, 2024: 900,000,000) equity shares of Rs. 10/- each	900.00	900.00
100,000,000 (March 31, 2024: 100,000,000) redeemable preference shares of Rs. 10/- each	100.00	100.00
	1,000.00	**1,000.00**
Issued, subscribed and fully paid share capital (Nos)		
628,222,500 (March 31, 2024: 628,222,500) equity shares of Rs. 10/- each	628.22	628.22
Total issued, subscribed and fully paid-up share capital	**628.22**	**628.22**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	No. of shares	Rs.
Equity share of Rs. 10 each issued, subscribed and fully paid		
As at April 1, 2023	628,222,500	628.22
Changes during the year	-	-
As at March 31, 2024	628,222,500	628.22
Changes during the year	-	-
As at March 31, 2025	**628,222,500**	**628.22**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity share capital held by holding company

	As at March 31, 2025	As at March 31, 2024
Holding company		
Thermax Limited		
628,222,500 (March 31, 2024: 628,222,500) equity shares of Rs. 10/- each fully paid	628.22	628.22

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2025	As at March 31, 2024
Thermax Limited		
%	100.00	100.00
No. of shares	628,222,500	628,222,500

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

(e) Details of shares held by promoters

	As at March 31, 2025	As at March 31, 2024
Thermax Limited		
%	100.00	100.00
No. of Shares	628,222,500	628,222,500
% of change during the year	-	-

(f) There were no issue of bonus shares/buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

14 (a) Other equity

	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
Capital redemption reserve		
Opening balance	-	-
Add: Transferred from retained earnings	52.70	-
Closing balance	**52.70**	**-**
Capital reserve	**156.91**	**156.91**
Retained earnings		
Opening balance	41.46	(88.40)
Add: Profit for the year	225.67	132.36
Items of other comprehensive income recognised directly in retained earnings:		
Re-measurement gain/ (loss) on defined benefit plans		
Add: OCI for the year pertaining to the Company (net of tax Rs. 0.62 (March 31, 2024 : Rs. 0.84))	(1.83)	(2.50)
Less: Transfer to Capital Redemption Reserve	(52.70)	-
Net surplus in the Statement of profit and loss	**212.60**	**41.46**
Total Reserves and Surplus	**422.21**	**198.37**
Other Reserves		
Cash flow hedge reserve		
Opening balance	(0.46)	(3.30)
Add: Movement during the year (net)	(9.12)	3.79
Less: Tax on Movement during the year	2.29	(0.95)
Closing balance	**(7.29)**	**(0.46)**
Share option outstanding account (Note 35)		
Opening balance	0.06	0.47
Add: Shared based payment expense	0.21	0.80
Less: Reduction on account of allotment of equity shares	-	(1.21)
Closing balance	**0.27**	**0.06**
Total	**415.19**	**197.97**

Nature and purpose of reserves

Capital redemption reserve

Pertains to reserve created towards redemption of preference shares and can be utilised in accordance with the provisions of the Act.

Capital reserve

Pertains to reserves created in excess of fair value of net assets acquired over consideration paid and can be utilised in accordance with the provisions of the Act.

Retained earnings

Pertains to the profits/(loss) that the Company has earned/incurred till date, less any transfers to general reserve, dividends or other distributions paid to shareholders. Retained earnings include re-measurement gain/(loss)on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

Cash flow hedge reserve

Pertains to the effective portion of the cumulative net change in the fair value of the cash flow hedge instruments related to hedged transactions that have not yet occurred.

Share based payment reserve

Pertains to equity settled share based payment plan issued by Parent Company for certain categories of employees of the Company.

Defined benefit plan

Following are the movement of amount recognised in the statement of other comprehensive income on account of defined benefit plan

	As at March 31, 2025	As at March 31, 2024
Opening balance	(3.10)	(0.60)
Total measurements (cost)/credit for the year recognised in OCI	(1.83)	(2.50)
	(4.93)	**(3.10)**

b) Distribution Proposed

Dividend

Accounting policy

Dividend to equity shareholders is recognised as a liability in the period in which the dividends are approved by the equity shareholders. Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognised as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of directors

	As at March 31, 2025	As at March 31, 2024
Cash dividend on Preference shares declared and paid		
Dividend paid on 8% cumulative redeemable preference shares	25.30	-
Details of proposed dividend		
Proposed dividend for the year ended March 31, 2025: Rs. 2.25 per share (March 31, 2024: Rs. Nil per share)	141.35	-

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

15 Borrowings

(a) Non-current borrowings

	As at March 31, 2025	As at March 31, 2024
At fair value through profit and loss		
Preference Shares Nil (March 31, 2024: 52,700,000) of Rs. 10/- each^	-	76.85
Total non-current borrowings	**-**	**76.85**
Less: amount disclosed under the head "Current borrowings" (note 15 (b))		
- Current maturities of long-term borrowings	-	(76.85)
	-	**-**

^Preference shares pertain to 8% (March 31, 2024 : 8%) cumulative redeemable preference shares issued to the Holding Company. These were redeemed in July 2024.

This forms part of the authorised share capital 100,000,000 (March 31, 2024 100,000,000) redeemable preference shares of Rs. 10 each as per the Act.

(b) Current borrowings

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Secured loans from banks	-	35.00
Unsecured loans from banks	-	50.06
At fair value through profit and loss		
Current maturities of long-term borrowings	-	76.85
Total	**-**	**161.91**

Secured loans pertains to packing credit of Rs. Nil (March 31, 2024 : Rs. 35) carries an interest rate of 5.75% p.a due for repayment within a maximum of 90 days from date of disbursement. These loans are secured by hypothecation of present and future stock of all inventories, stores and spares not related to plant and equipment, bills receivable & book debts.

Unsecured loans includes packing credit of Rs. Nil (March 31, 2024 : Rs. 50.00) carries an interest rate of 5.61% due for repayment within a maximum of 87 days from date of disbursement and bank overdraft of Rs Nil (March 31, 2024 :Rs. 0.06) carries an interest rate of 8.58% p.a.

16 Trade payables at amortised cost

(a) Current trade payables

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises (note 16 (b))	185.79	102.51
Total outstanding dues of creditors other than micro and small enterprises		
(i) Related parties (note 29)	39.89	11.20
(ii) Others	209.19	243.29
Total	**434.87**	**357.00**

For terms and conditions with related parties, refer note 29.

Trade payables are non-interest bearing and are generally on terms of 30 to 90 days..

(b) Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount outstanding (whether due or not) to micro and small enterprises	183.18	100.64
- Interest due thereon	2.61	1.87
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	233.62	209.45
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.74	0.78
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.74	0.80
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	1.87	1.07

The information has been given in respect of such vendors to the extent they could be identified as "Micro and Small" enterprises on the basis of information available with the Company.

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Outstanding for the following period from due date of payments				Total
		Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025						
(i) Micro and Small enterprises	183.64	0.86	0.05	0.03	0.48	**185.06**
(ii) Others	183.69	12.66	1.32	0.68	3.56	**201.91**
(iii) Disputed dues- Micro and Small enterprises	-	-	-	-	0.73	**0.73**
(iii) Disputed dues- Others	-	-	-	-	-	**-**
Unbilled Trade Payables						**47.17**
Total	**367.33**	**13.52**	**1.37**	**0.71**	**4.77**	**434.87**

Particulars	Not Due	Outstanding for the following period from due date of payments				Total
		Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024						
(i) Micro and Small enterprises	100.11	0.89	0.22	0.10	0.46	**101.78**
(ii) Others	173.82	3.94	13.44	2.22	1.60	**195.02**
(iii) Disputed dues- Micro and Small enterprises	-	-	-	-	0.73	**0.73**
(iii) Disputed dues- Others	-	-	-	-	-	**-**
Unbilled Trade Payables						**59.47**
Total	**273.93**	**4.83**	**13.66**	**2.32**	**2.79**	**357.00**

17 Financial liabilities

(a) Other non current liabilities

	As at March 31, 2025	As at March 31, 2024
At amortised cost		
Liability towards employee separation scheme	-	0.22
Total	**-**	**0.22**

(b) Other current liabilities

	As at March 31, 2025	As at March 31, 2024
Derivative instruments at fair value through OCI		
Cash flow hedges		
Foreign exchange forward contracts	6.40	0.87
Derivative instruments at fair value through profit or loss		
Derivative not designated as hedges		
Foreign exchange forward contracts	1.20	0.38
At amortised cost		
Liability towards employee separation scheme	0.23	0.45
Employee related payables	31.47	25.72
Other payables*	1.14	1.17
Total	**40.44**	**28.59**

* includes employee recoveries payable, etc.

18 Provisions

Accounting policy

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Warranty provisions

Provisions for warranty-related costs are recognised when the product is sold or service provided to the customer. Initial recognition is based on historical experience. The initial estimate of warranty related costs is reviewed annually. For EPC contracts, warranty provision is recorded basis significant progress.

Provisions for onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognised and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognises any impairment loss that has occurred on assets dedicated to that contract. An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Provision for decommissioning liability

A provision has been recognised for decommissioning costs associated with the properties taken on lease by the Company. Decommissioning costs are provided at the present value of expected costs to settle the obligation using estimated cash flows and are recognised as part of the cost of the particular asset. The unwinding of the discount is expensed as incurred and recognised in the Statement of Profit and Loss as a finance cost. The estimated future costs of decommissioning are reviewed annually and adjusted as appropriate. Changes in the estimated future costs or in the discount rate applied are added to or deducted from the cost of the asset.

Estimates & judgments

Warranty Provisions: The Company generally offers 18 months warranties for its products. Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacements, material costs, servicing cost and past experience in respect of warranty costs. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in current period are consistent with those in the prior year. Factors that could impact the estimated claim information include the success of the Company's productivity and quality initiatives. Warranty provisions are discounted using a pre-tax discount rate which reflects current market assessments of time value of money and risks specific to the liability. It is expected that this expenditure will be incurred over the contracted warranty period ranging upto 2 years. If warranty claim costs vary by 10% from management's estimate, the warranty provisions would be an estimated Rs. 7.87 higher or lower (March 31, 2024 Rs. 6.75).

Provision for onerous contracts: The Company provides for future losses on EPC contracts where it is considered highly probable that the contract costs are likely to exceed revenues in future years. Estimating these future losses involves a number of assumptions about the achievement of contract performance targets and the likely levels of future cost escalation over time.

A provision for expected loss on construction contracts is recognised when it is probable that the contracts costs will exceed total contract revenue. For all other contracts, provision is made when the unavoidable costs of meeting the obligation under the contract exceed the estimated economic benefits. The timing of cash outflows in respect of such provision is over the contract period.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

(a) Non-current provisions

	As at March 31, 2025	As at March 31, 2024
Other provisions		
Provision for warranties	4.61	5.01
Provision for decommissioning liability	2.96	2.85
Total	**7.57**	**7.86**

(b) Current provisions

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for leave encashment	18.74	16.25
	18.74	**16.25**
Other provisions		
Provision for onerous contracts	11.21	9.23
Provision for warranties	74.13	62.45
	85.34	**71.68**
Total	**104.08**	**87.93**

Movement in provisions

	Provision for onerous contracts	Provision for warranties	Provision for decommissioning liability
As at April 1, 2024			
Balance at the beginning	9.23	67.46	2.85
Additional provision recognised	3.98	30.10	0.11
Unused amounts reversed	-	(14.40)	-
Unwinding of discount	-	3.89	-
Utilised during the year	(2.00)	(8.31)	-
As at March 31, 2025	**11.21**	**78.74**	**2.96**
Details of provisions :			
Current	11.21	74.13	-
Non-Current	-	4.61	2.96
Total	**11.21**	**78.74**	**2.96**

19 Other liabilities

Accounting policy

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and the customer advance as the case may be.

Other current liabilities

	As at March 31, 2025	As at March 31, 2024
Unearned revenue (Contract liability)	332.31	161.99
Customer advances (Contract liability)		
(i) Related Parties (note 29)	21.31	17.59
(ii) Others	564.33	392.62
Statutory dues and other liabilities*	11.69	8.28
Total	**929.64**	**580.48**

* mainly includes tax deducted at source, tax collected at source, provident fund, ESIC, Goods and Services Tax etc.

For terms and conditions with related parties, refer note 29.

20 Revenue from operations

Accounting policy

Revenue from Contracts with Customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The Company has following streams of revenue:

Revenue from Engineering, Procurement and Construction contracts

Engineering, Procurement and Construction contracts are contracts (or a group of contracts secured together) specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Company identifies distinct performance obligations in each contract. For most of the project contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

The Company may promise to provide distinct goods or services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Company uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations. The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date

The Company recognizes revenue over time as it performs because of continuous transfer of control to the customer. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process as evidenced either by contractual termination clauses or by the rights of the Company to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternative use to the Company.

The Company uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion

is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

The Company estimates variable consideration amount which it expects to be entitled under the contract and includes it in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognized will not occur and when the uncertainty associated with it is subsequently resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Costs associated with bidding for contracts are charged to the Statement of profit and loss when they are incurred. Costs that relate directly to a contract and are incurred in securing the contract are included as part of the contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are not distinct from the existing contract due to the significant integration service provided under the contract prior to modifications and are therefore, accounted for as part of the existing contract. The effect of a contract modification is recognized as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Company recognises the expected losses from onerous contract as an expense immediately.

Penalties for any delay or improper execution of a contract are recognized as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

Revenue from sale of goods

If the criteria for revenue under over-a-period of time as mentioned above are not met, the Company recognizes revenue at point-in-time. The point-in-time is determined when the control of the goods is transferred which is generally determined based on when the significant risk and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right of payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where the control has been transferred.

Revenue from sale of services

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized as the related services are performed on a time proportion basis under the contracts.

Estimates and assumptions

Revenue from Engineering, Procurement and Construction contracts

Provisions for liquidated damages claims (LDs): The Company provides for LD claims to the extent that is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. This requires an estimate of the amount of LDs payable under a claim which involves a number of management judgments and assumptions regarding the amounts to be recognized.

Project cost to complete estimates: At each reporting date, the Company is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, unbilled revenue and estimated earnings and accrued contract expenses.

Recognition of contract variations: The Company recognizes revenues and margins from contract variations where it is considered probable that they will be awarded by the customer and this requires management to assess the likelihood of such an award being made by reference to customer communications and other forms of documentary evidence.

Judgements

A significant portion of the Company's business relates to construction of assets which are accounted using cost-based input method, recognizing revenue as the performance on the contract progresses. This requires Management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Company has right to payment for performance completed till date, either contractually or legally. The input method requires Management to make significant judgments of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

(a) Revenue from contracts with customers:

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from projects and products	2,066.45	2,110.24
Revenue from services	198.81	141.67
Total revenue from contracts with customers (a)	**2,265.26**	**2,251.91**

(b) Other operating income

	Year ended March 31, 2025	Year ended March 31, 2024
Government grant		
-Export incentives	4.88	0.27
-Packaged Scheme of Incentives*	65.63	-
Sale of scrap	7.90	8.14
Exchange fluctuation gain / (loss)^	(4.39)	(2.68)
Total other operating income (b)	**74.02**	**5.73**
Total revenue from operations (a+b)	**2,339.28**	**2,257.64**

*The Company is eligible for claiming incentives for investments made under the Industrial Policy of the Government of Maharashtra under Package Scheme of Incentive (PSI) Scheme 2007. The Company's manufacturing unit at Shirwal in Maharashtra is eligible and had Eligibility Certificate (EC) for Mega Project under the Package Scheme of Incentive (PSI) 2007, under certificate no DI/PSI-2007/Mega Project/EC-306/2014/B-8013 dated August 14, 2014. Basis the above Eligibility certificate, it has started availing incentives under the PSI 2007. Accordingly, the Company has recognised the grant income amounting to Rs. 65.63 for the year ended 31 March 2025 (March 31, 2024: Rs Nil).

^ includes mark to market loss on forward contracts not subjected to hedge accounting Rs. 0.25 (mark to market gain on March 31, 2024 : Rs. 0.07).

(c) Disclosure pursuant to Ind AS 115: Revenue from Contracts with Customers

i) Revenue by category of contracts:

	March 31, 2025	March 31, 2024
Over a period of time basis	2,112.19	2,059.96
At a point-in-time basis	153.07	191.95
Total revenue from contracts with customers	**2,265.26**	**2,251.91**

Revenue by geographical market:

	March 31, 2025	March 31, 2024
Within India	1,817.55	1,956.35
Outside India	447.71	295.56
Total revenue from contracts with customers	**2,265.26**	**2,251.91**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

ii) Contract balances:

Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivable on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and the customer advance as the case may be.

The following table provides information about contract balances from contracts with customers as at the reporting date:

	As at March 31, 2025	As at March 31, 2024
Trade receivables (note 6)	658.41	531.59
Unbilled revenue (Contract asset) (note 8(a) and 8(b))	187.21	218.85
Unearned revenue (Contract liability) (note 19)	332.31	161.99
Customer advances (Contract liability) (note 19)	585.64	410.21

iii) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

	As at March 31, 2025	As at March 31, 2024
Unearned revenue	139.00	179.36
Customer advance	295.60	312.35

iv) Changes in unbilled revenue and unearned revenue for the year:

The explanation of the significant changes in the unbilled and unearned balances during the reporting year is presented in the table below

	As at March 31, 2025	As at March 31, 2024
Opening unbilled revenue (refer note 8)	218.85	184.62
Opening unearned revenue (refer note 19)	161.99	220.92
- Transfer of contract assets to receivable from opening unbilled revenue	(204.22)	(172.20)
- Increase in revenue as a result of changes in the measure of progress from the opening unearned revenue	139.00	179.36
- Transfer of contract assets to receivables	(2,107.89)	(1,798.35)
- Increase in revenue as a result of changes in the measure of progress	1,973.19	1,880.60
- Others*	(2.04)	3.75
Closing unbilled revenue (refer note 8)	**187.21**	**218.85**
Closing unearned revenue (refer note 19)	**332.31**	**161.99**

* includes adjustments on account of onerous contracts, impairment allowance for the year etc

v) Performance obligations

Performance obligation in a project or a group of projects which are contracted at or near same time with the same or related parties and negotiated simultaneously, are combined for the purpose of evaluation. The Company has estimated that multiple commitments pertaining to engineering, procurement and commissioning of such projects is a single performance obligation which is spread over different accounting periods.

Performance obligation for products are evaluated on standalone basis, recognised at a point in time. Generally, performance obligations for such contracts have an original expected duration of one year or less.

There are no major contracts with customers which have significant financing component included within them and therefore there is no difference between the timing of satisfaction of performance obligation vis a vis the timing of the payment.

Remaining performance obligations:

The following table includes revenue expected to be recognised in the future related to performance obligations that are unsatisfied (or partially unsatisfied) at the reporting date.

	As at March 31, 2025	As at March 31, 2024
Amount of revenue yet to be recognised for contracts having original expected duration of more than one year in progress as on reporting date	2,640.29	1,524.32

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts that have an original expected duration of one year or less.

The Company expects that a significant portion of the remaining performance obligation will be completed within next 2 years in reference to para 117 of Ind AS 115

vi) Reconciliation between revenue recognised in Statement of profit and loss and contract price

There is no significant variation between revenue recognised in Statement of profit and loss and contract price except price variation claims, which are considered to be part of contract price.

21 Other income

Accounting policy

Interest Income

For all debt instruments measured at amortised cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability. Interest income is included in finance income in the Statement of profit and loss.

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income from financial assets carried at amortised cost		
- Bank deposits and corporate deposits	30.00	29.92
- Interest on loan to holding company	6.19	-
- Other interest income*	2.94	0.07
Fair value gain on financial instrument at fair value through profit and loss (net)	25.86	9.83
Liabilities no longer required written back	1.25	3.78
Miscellaneous income^	3.49	3.09
Total	**69.73**	**46.69**

*Majorly includes interest accretion on government grant of Rs. 2.89 (March 31, 2024: Rs Nil)

^Majorly includes cash discounts received from vendors Rs.2.25 (March 31, 2024: Rs 2.43) and Insurance claim of Rs.0.75 (March 31, 2024: Rs. 0.15)

22 Cost of raw material and components consumed

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year	148.77	185.62
Add: Purchases	1,315.16	1,357.96
	1,463.93	**1,543.58**
Inventories at the end of the year	141.79	148.77
	1,322.14	**1,394.81**
Total	**1,322.14**	**1,394.81**

23 (Increase)/decrease in inventories of finished goods and work-in-progress

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year		
Work-in-progress	10.34	8.27
Finished goods	4.24	2.53
	14.58	**10.80**
Less: inventories at the end of the year		
Work-in-progress	4.40	10.34
Finished goods	1.73	4.24
	6.13	**14.58**
Total	**8.45**	**(3.78)**

24 Employee benefits expense

Accounting policy

(a) Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

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 recognized 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 Statement of profit and loss in subsequent periods.

Past service costs are recognized 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 recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company presents the leave as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

(b) Estimates and assumptions

Defined benefit plans - gratuity

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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 and mortality rates. 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 for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages*	188.01	170.86
Contribution to provident and other funds	14.24	12.47
Gratuity expense	2.87	2.35
Staff welfare expenses	8.08	8.65
Share based payment expense (note 35)	0.21	0.80
Total	**213.41**	**195.13**

*includes Director's sitting fees of Rs. 0.11 (March 31, 2024: Rs. 0.12)

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

(d) Gratuity disclosure pursuant to Ind AS 19

The Company operates a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed the specified years of service gets a gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance Company in the form of qualifying insurance policy. The fund has formed a trust governed by a Board of Trustees.

The fund is subject to risks like changes in assets yields. In managing the plan assets, Board of Trustees reviews and manages these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

I Changes in the net benefit obligation and fair value of plan assets are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2023	**35.74**	**(40.01)**	**(4.27)**
Current service cost	2.83	-	**2.83**
Interest expense/(income)	2.43	(2.91)	**(0.48)**
Total amount recognised in Profit or Loss	**5.26**	**(2.91)**	**2.35**
Actuarial loss from change in financial assumptions	3.43	(0.09)	**3.34**
Total amount recognised in Other Comprehensive Income	**3.43**	**(0.09)**	**3.34**
Employer contributions	-	(4.23)	**(4.23)**
Benefits paid	(4.98)	4.98	**-**
Transfer In / (out)	(0.78)	0.78	**-**
March 31, 2024	**38.67**	**(41.48)**	**(2.81)**
Current service cost	3.23	-	**3.23**
Interest expense/(income)	2.68	(3.04)	**(0.36)**
Total amount recognised in Profit or Loss	**5.91**	**(3.04)**	**2.87**
Actuarial loss from change in assumptions	2.34	0.11	**2.45**
Total amount recognised in Other Comprehensive Income	**2.34**	**0.11**	**2.45**
Employer contributions	-	(4.56)	**(4.56)**
Benefits paid	(3.09)	3.09	**-**
Transfer In/(out)	0.07	(0.07)	**-**
March 31, 2025	**43.90**	**(45.95)**	**(2.05)**

II The net liability disclosed above relates to funded plans are as follows :

Particulars	March 31, 2025	March 31, 2024
Present value of funded obligation	43.90	38.67
Fair value of plan assets	(45.95)	(41.48)
Deficit/(Surplus) of funded plan	**(2.05)**	**(2.81)**

III Significant assumptions

The principal actuarial assumptions were as follows :

Particulars	March 31, 2025	March 31, 2024
Discount rate	6.70%	7.20%
Salary growth rate	7.00%	7.00%
Expected return on plan assets	7.20%	7.40%
Normal retirement age	60 Years	60 Years
Mortality table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Employee turnover	Workers 5%, Staff 12%	Workers 5%, Staff 12%

IV Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	March 31, 2025	March 31, 2024
Discount rate		
1.00% increase	Decrease by 2.29	Decrease by 1.98
1.00% decrease	Increase by 2.53	Increase by 2.21
Future salary increase		
1.00% increase	Increase by 2.09	Increase by 1.83
1.00% decrease	Decrease by 1.93	Decrease by 1.68
Attrition rate		
1.00% increase	Increase by 0.04	Increase by 0.22
1.00% decrease	Decrease by 0.03	Decrease by 0.02

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous periods.

The following are the expected cash flows to the defined benefit plan in future years:

Particulars	March 31, 2025	March 31, 2024
Within next 12 months	7.55	7.55
Between 2-5 years	25.16	21.44
Between 6-10 years	30.59	27.77

The average duration of the defined benefit plan obligation at the end of the reporting period is 7.4 years (March 31, 2024 : 7.38 years)

The Company expects to contribute Rs.1.00 to gratuity fund in the next year (March 31, 2024 : Rs. 1.00)

V The major categories of plan assets are as follows:

Particulars	March 31, 2025	March 31, 2024
Investments with Insurer (LIC of India)	100.00%	100.00%

25 Finance cost

	Year ended March 31, 2025	Year ended March 31, 2024
Interest expense	5.05	8.53
Unwinding of discount	3.89	3.64
Total	**8.94**	**12.17**

26 (a) Other expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	34.10	31.13
Power and fuel	11.45	11.12
Freight and forwarding charges (net of recovery)	87.06	72.20
Site expenses and contract labour charges	224.31	208.28
Drawing, design and technical service charges	19.76	16.06
Sales commission	5.61	5.80
Advertisement and sales promotion	7.09	1.74
Rent (note 28 B (b))	12.19	11.75
Rates and taxes	2.34	2.50
Insurance	1.75	2.24
Repairs and maintenance:		
Plant and equipment	3.06	4.19
Buildings	1.61	2.73
Others	9.41	8.91
Travelling and conveyance	15.48	19.77
Legal and professional fees (includes payment to auditor; refer note 26 (b))	7.02	5.95
Management fees (note 29)	46.68	39.73
CSR expenditure (note 26 (c))	2.46	1.45
Bad debts	12.01	33.23
Provision for impairment allowance of financial assets (net)	(5.01)	(27.08)
Warranty expenses (net)	15.70	15.80
Loss/(gain) on sale/ discard of assets (net)	0.10	0.65
Miscellaneous expenses (includes printing, communication, postage, security expense, etc.)	20.15	18.11
Total	**534.33**	**486.26**

(b) Payment to auditors

	Year ended March 31, 2025	Year ended March 31, 2024
As auditor		
Audit fees	0.46	0.43
In other capacity		
Other services*	-	-
Reimbursement of expenses	0.02	0.01
Total	**0.48**	**0.44**

* less than one lakh.

(c) Corporate Social Responsibility (CSR)

	Year ended March 31, 2025	Year ended March 31, 2024
(a) Gross amount required to be spent by the Company during the year	2.46	1.45
(b) Amount spent during the year^	2.46	1.45
(c) Shortfall at the end of the year	-	-
(d) Total of previous years shortfall	-	-
(e) Reason for shortfall	Not applicable	Not applicable
(f) Nature of CSR activities	Education, Skill Development, Rural Development	Education, Skill Development, Rural Development
(g) Details of related party transactions in relation to CSR expenditure as per relevant Accounting Standard	2.46	1.45

^The amount is contributed to Thermax Foundation, India (refer note 29) which is engaged in education of economically underprivileged children by addressing social discrimination through affirmative actions, skill development and employability initiatives.

There is no provision made in respect of CSR expenditure as at March 31, 2025 and March 31, 2024.

There is no shortfall in contribution as at March 31, 2025 and March 31, 2024.

27 (a) Earnings per share

Accounting policy

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

	March 31, 2025	March 31, 2024
Net profit after tax attributable to the Equity shareholders (a)	225.67	132.36
Weighted average number of Equity shares of Rs. 10/- each (b)	628,222,500	628,222,500
Basic and diluted Earnings per share (Rs.) (c) = (a)/(b)	3.59	2.11

(b) Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

For the year ended March 31, 2025

	Cash flow hedge reserve	Retained Earnings	Total
Foreign exchange forward contracts	(6.65)	-	(6.65)
Reclassified to Statement of profit or loss (Net)	(0.18)	-	(0.18)
Re-measurement gains on defined benefit plans	-	(1.83)	(1.83)
Total	**(6.83)**	**(1.83)**	**(8.66)**

For the year ended March 31, 2024

	Cash flow hedge reserve	Retained Earnings	Total
Foreign exchange forward contracts	2.50	-	2.50
Reclassified to Statement of profit or loss (Net)	0.34	-	0.34
Re-measurement gains on defined benefit plans	-	(2.50)	(2.50)
Total	**2.84**	**(2.50)**	**0.34**

28 Contingent liabilities and commitments

A Contingent liabilities

(a) Accounting policy

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

(b) Judgements

Contingencies relating to tax and legal matters

The Company has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyses current information about these matters and provides provisions for probable losses including the estimate of legal expense to resolve such matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavourable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

Details of contingent liabilities

(c) As part of the slump purchase agreement in financial year 2019-2020 with the Holding Company, the Company had acquired liabilities relating to demand notices/show cause-cum-demand notices from the Excise department covering period from June 2000 till June 2017 for Rs. 1,238.85 crores (March 31, 2024 : Rs.1238.85) including penalty (but excluding interest and further penalty thereon).

These demands were of excise duty payable on inclusion of the cost of bought out items in the assessable value of certain products manufactured by the Holding Company, though such duty paid bought out items are directly dispatched by the manufacturers thereof to the ultimate customer, without being received in the Company's factory. The Holding Company had filed an appeal against the same before CESTAT, Mumbai which was allowed in favour of the Holding Company during the previous year.

Subsequently, the Commissioner of CGST & CE, Pune – I has filed an appeal before the Hon'ble Supreme Court of India challenging CESTAT order. Based on an independent legal advice, the Holding Company is confident of the issue being ultimately decided in its favour.

(d)

Particulars (excluding of interest and penalty thereon)	March 31, 2025	March 31, 2024
Income Tax matters (#)	36.96	36.96
Excise, Customs Duty and Goods & Services tax ^	38.13	6.80
Sales Tax ($)	4.22	5.15

#During the year, Company has received income tax order for AY 2023-24 for disallowing brought forward losses of Rs. 51.46. The assessing officer has raised demand of Rs.14.26 on brought forward losses disallowed. The Company has filed an stay of demand against the said order. Based on the advice obtained from tax expert, the Company's management believes that the probability of any outflow in respect of this order is remote and hence not considered in contingent liability.

During the FY 2022-23, The Company has received an income tax order for AY 2021-22 adding back income of Rs 200.10 for Goods and Services Tax ("GST") collected on sales. The Company has filed an appeal with CIT(appeals) and stay of demand against the said order. Based on the favorable order in case of similar matter in Holding Company, the management believes that the company has good case and hence the case is not considered in contingent liability.

^During the year, Company has received demand order for Goods & Services tax for FY 2020-21 for disallowance for input tax credit. The Company is under the process of filing an appeal against the said order. The Company's management believes that the probability of any outflow in respect of this order is low.

$ From FY 2006-07 to FY 2015-16, the Company has indicated a contingent liability of Rs. 4.22 (March 31, 2024 : Rs.4.36) for various demand notices received by the Holding company. These liabilities are related to part of the acquired business.

(e) Others

	March 31, 2025	March 31, 2024
Liability for export obligations	1.98	1.98
Claims against the Company not acknowledged as debts	0.55	0.55

The Company has imported goods against advance licences. The timing and amount of the liability which will arise from above matters, will be determined by the relevant authorities on settlement of the cases.

Claims against the Company not acknowledged as debt on account of ongoing legal dispute. Based on the legal opinion on few matters and management assessments of the facts of the case, no provision is considered for the subject matters. Pending resolution of the matters, it is not practicable to estimate the timing of cash outflows, if any.

(f) The Company has issued various guarantees for performance, deposits, tender money, advances, etc to customers. The management has considered the probability for outflow of the same to be remote and accordingly no amount has been disclosed here.

B Capital and other commitments

(a) Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 5.67 (March 31, 2024 : Rs. 6.18).

(b) Lease commitments

Company as lessee

The Company lease asset classes primarily consist of leases for land, buildings, guest houses and office equipment. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

The lease liability is initially measured at value of the future lease payments. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient.

The Company has taken office buildings and factory shed on operating lease. The tenure of such leases ranges from 1 to 5 years. Lease rentals are charged to the Statement of profit and loss for the year. There are no sub-leases. The leases are renewable on mutually agreeable terms. At the expiry of the lease term, the company has an option to terminate the agreement or extend the term by giving notice in writing.

For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term.

Details of amounts recognised in statement of profit and loss

	March 31, 2025	March 31, 2024
Expense relating to short-term leases (included in other expenses)	11.02	10.58
Expense relating to leases of low-value assets (included in other expenses)	1.17	1.17
Depreciation of Right of Use Assets (note 4 (b))	0.72	0.72
	12.91	**12.47**

29 Related party disclosures

A Ultimate Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	RDA Holdings Private Limited	India

B Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Limited	India

C Fellow subsidiaries

Related parties with whom transactions have taken place during the year and previous year :

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Instrumentation Limited	India
2	Thermax Engineering Construction Company Limited	India
3	Thermax Cooling Solutions Limited	India
4	PT Thermax International, Indonesia	Indonesia
5	Thermax International Tanzania Limited	Tanzania
6	Thermax Bioenergy Solutions Private Limited	India
7	Thermax (Thailand) Limited	Thailand
8	First Energy Private Limited	India
9	First Energy Nine Private Limited	India
10	Thermax Nigeria Limited	Nigeria

D Enterprises over which control is exercised by Individuals having Significant influence over the company and Key Management Personnel

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Foundation	India

E Key Management Personnel:

1 Mr. Ashish Bhandari - Director and Chairman
2 Mr. Ravinder Advani - Director (resigned on April 24, 2024)
3 Mr. Pravin Karve- Director
4 Mr. Rajesh Bukinkere- Director and CEO (Appointed on February 06, 2024)
5 Mr. Shekhar Kashalikar- Director and CEO (resigned on September 30, 2023)
6 Mr. Rajendran Arunachalam- Director
7 Mr. Nawshir Mirza - Non Executive Director (retired on July 22, 2024)
8 Mrs. Rajani Kesari - Non Executive Director
9 Mr. Shyamak Tata - Non Executive Director (Appointed on February 06, 2024)
10 Mr. Bhavesh Chheda - Chief Financial Officer (up to March 31, 2025)
11 Mr. Sandeep Deshpande - Chief Financial Officer (Appointed on May 07, 2025)
12 Ms. Apurva Gupte - Company Secretary

F Individuals having control or significant influence over the Company by reason of voting power, and their relatives:

1 Mrs. Meher Pudumjee - Chairperson of Holding Company
2 Mrs. Anu Aga - Relative of Chairperson of Holding Company
3 Mr. Pheroz Pudumjee - Director of Holding Company
4 Mr. Zahaan Pudumjee - Relative of Chairperson of Holding Company
5 Ms. Lea Pudumjee - Relative of Chairperson of Holding Company

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

G Transactions with related parties:

	Holding Company		Fellow subsidiaries		Enterprises over which control is exercised by Individuals having Significant influence over the company and Key Management Personnel		Key Management Personnel and Individuals having Significant influence over the Company		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
a. Transactions during the year										
Revenue from contracts with customers	59.34	128.26	0.67	0.16	-	-	-	-	**60.01**	**128.42**
Interest received on loan given	6.19	-	-	-	-	-	-	-	**6.19**	**-**
Recovery of expenses	0.81	1.76	-	0.12	-	-	-	-	**0.81**	**1.88**
Purchase of raw material and components	66.18	45.74	-	0.08	-	-	-	-	**66.18**	**45.82**
Reimbursement of expenses	5.56	6.52	0.84	0.36	-	-	-	-	**6.40**	**6.88**
Remuneration to key management personnel*	-	-	-	-	-	-	4.41	9.52	**4.41**	**9.52**
Other expenses#	6.36	7.71	2.76	0.06	-	-	-	-	**9.12**	**7.77**
Management fees	46.68	39.73	-	-	-	-	-	-	**46.68**	**39.73**
Director's sitting fees	-	-	-	-	-	-	0.11	0.12	**0.11**	**0.12**
CSR Expenditure	-	-	-	-	2.46	1.45	-	-	**2.46**	**1.45**
Commission paid	-	-	-	-	-	-	0.16	0.17	**0.16**	**0.17**
Rent paid	4.35	4.37	-	-	-	-	-	-	**4.35**	**4.37**
Redemption of 8% cumulative preference shares	52.70	-	-	-	-	-	-	-	**52.70**	**-**
Dividend on preference shares	25.30	-	-	-	-	-	-	-	**25.30**	**-**
Investment made	-	-	0.72	-	-	-	-	-	**0.72**	**-**
Loans given	345.00	-	-	-	-	-	-	-	**345.00**	**-**
Loans repayment	345.00	-	-	-	-	-	-	-	**345.00**	**-**

*Does not include gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

Includes other cost allocation from Holding Company for legal expenses, software expenses, etc.

Transaction carried out by Holding Company as agent with the company

Description	March 31, 2025	March 31, 2024
Revenue from contracts with customers	-	0.06
Purchase of raw material and components	120.85	194.22

The above table excludes other reimbursements or recoveries in the nature of employee costs incurred by Holding Company in the capacity of agent.

	Holding Company		Fellow subsidiaries		Enterprises over which control is exercised by Individuals having Significant influence over the company and Key Management Personnel		Key Management Personnel and Individuals having Significant influence over the Company		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
b. Balances as at reporting date										
Trade receivables	6.51	23.57	0.40	0.08	-	-	-	-	**6.91**	**23.65**
Advance to suppliers	14.41	2.26	-	0.02	-	-	-	-	**14.41**	**2.28**
Trade payables	38.87	10.69	1.02	0.51	-	-	-	-	**39.89**	**11.20**
Unbilled revenue	4.15	3.43	-	-	-	-	-	-	**4.15**	**3.43**
Customer advances	21.31	17.59	-	-	-	-	-	-	**21.31**	**17.59**
Commission payable	-	-	-	-	-	-	0.16	0.17	**0.16**	**0.17**
Corporate guarantees issued on behalf of Company	202.58	528.60	-	-	-	-	-	-	**202.58**	**528.60**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

H Related party transactions include transactions pertaining to the following parties with whom the transactions are considered to be individually significant (percentage of the transactions being 10% or more of the total of transactions given in note 'G' above):

	March 31, 2025		March 31, 2024	
	Amounts for individually Significant parties	Total	Amounts for individually Significant parties	Total
Transactions during the year				
Revenue from contracts with customers				
Thermax Limited, India	59.34		128.26	
Sub-total - Individually significant parties		**59.34**		**128.26**
Others		0.67		0.16
Total		**60.01**		**128.42**
Interest received on loan given				
Thermax Limited, India	6.19		-	
Total		**6.19**		**-**
Recovery of expenses				
Thermax Limited, India	0.81		1.76	
Sub-total - Individually significant parties		**0.81**		**1.76**
Others		-		0.12
Total		**0.81**		**1.88**
Purchase of raw material and components				
Thermax Limited, India	66.18		45.74	
Sub-total - Individually significant parties		**66.18**		**45.74**
Others		-		0.08
Total		**66.18**		**45.82**
Reimbursement of expenses				
Thermax Limited, India	5.56		6.52	
Sub-total - Individually significant parties		**5.56**		**6.52**
Others		0.84		0.36
Total		**6.40**		**6.88**
Remuneration to key management personnel				
Mr. Pravin Karve*	2.15		6.12	
Mr. Bhavesh Chheda	0.77		0.73	
Mr. Shekhar Kashalikar*	-		2.04	
Ms. Apurva Gupte	0.12		0.10	
Mr Rajesh Bukinkere	1.37		0.53	
Total		**4.41**		**9.52**
Other expenses				
Thermax Limited, India	6.36		7.71	
Thermax (Thailand) Limited	2.73		-	
Sub-total - Individually significant parties		**9.09**		**7.71**
Others		0.03		0.06
Total		**9.12**		**7.77**
Management fees				
Thermax Limited, India	46.68		39.73	
Total		**46.68**		**39.73**
Director's sitting fees				
Mr. Nawshir Mirza	0.01		0.04	
Mr. Ravinder Advani	-		0.03	
Mrs. Rajani Kesari	0.05		0.05	
Mr. Shyamak Tata	0.05		-	
Total		**0.11**		**0.12**
CSR Expenditure				
Thermax Foundation, India	2.46		1.45	
Total		**2.46**		**1.45**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

	March 31, 2025		March 31, 2024	
	Amounts for individually Significant parties	Total	Amounts for individually Significant parties	Total
Commission				
Mr. Nawshir Mirza	0.03		0.08	
Mr. Ravinder Advani	-		0.05	
Mrs. Rajani Kesari	0.08		0.05	
Mr. Shyamak Tata	0.05		-	
Total		**0.16**		**0.18**
Rent paid				
Thermax Limited, India	4.35		4.37	
Total		**4.35**		**4.37**
Redemption of 8% cumulative preference shares				
Thermax Limited, India	52.70		-	
Total		**52.70**		**-**
Dividend on preference shares				
Thermax Limited, India	25.30		-	
Total		**25.30**		**-**
Investment made				
First Energy Nine Private Limited	0.72		-	
Total		**0.72**		**-**
Loans given				
Thermax Limited, India	345.00		-	
Total		**345.00**		**-**
Loans repayment				
Thermax Limited, India	345.00		-	
Total		**345.00**		**-**

*Includes Rs. Nil (March 31, 2024: Rs. 1.21) paid to Holding Company for Employee Stock Option Scheme exercised by the Key Management Personnel

	March 31, 2025		March 31, 2024	
	Amounts for individually Significant parties	Total	Amounts for individually Significant parties	Total
Balances as at year end				
Trade receivables				
Thermax Limited, India	6.51		23.57	
Sub-total - Individually significant parties		**6.51**		**23.57**
Others		0.40		0.08
Total		**6.91**		**23.65**
Advance to suppliers				
Thermax Limited, India	14.41		2.26	
Sub-total - Individually significant parties		**14.41**	**-**	**2.26**
Others		-		0.02
Total		**14.41**		**2.28**
Trade payables				
Thermax Limited, India	38.87		10.69	
Sub-total - Individually significant parties		**38.87**		**10.69**
Others		1.02		0.51
Total		**39.89**		**11.20**
Unbilled revenue				
Thermax Limited, India	4.15		3.43	
Sub-total - Individually significant parties		**4.15**		**3.43**
Others		-		-
Total		**4.15**		**3.43**
Customer advances				
Thermax Limited, India	21.31		17.59	
Total		**21.31**		**17.59**

	March 31, 2025		March 31, 2024	
	Amounts for individually Significant parties	Total	Amounts for individually Significant parties	Total
Commission Payable				
Mr. Nawshir Mirza	0.03		0.08	
Mr. Ravinder Advani	-		0.05	
Mrs. Rajani Kesari	0.08		0.05	
Mr. Shyamak Tata	0.05		-	
Total		**0.16**		**0.18**
Corporate guarantees issued on behalf of company				
Thermax Limited, India	202.58		528.60	
Total		**202.58**		**528.60**

I Terms and conditions of related party transactions

The sales to and purchases from related parties are assessed to be at arm's length transactions by the management. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash (excluding loan outstanding).

There have been no guarantees provided or received for any related party receivables or payables except stated above. For the year ended March 31, 2025, the Company has recorded an impairment of receivables relating to amounts owed by related parties of Rs. 4.75 (March 31, 2024 : Rs. 6.56). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates. All outstanding balances are unsecured and repayable in cash.

Refer note 37 for terms and conditions of loan given to Holding Company.

30 Segment information

Accounting policy

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker. The Board of Directors of the Company has identified the Director and Chief Executive Officer as the chief operating decision maker of the Company.

Judgements

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Chief Executive Officer to assess performance and allocate resources. The Company is operating in a single business segment, viz Industrial Infra (Energy and Allied Services)

The Company's portfolio includes subcritical and supercritical boilers and related services. The Director and CEO of the Company has been identified as the Chief Operating Decision Maker ('CODM'). For management purposes, the Company reports the details of operating segments as a single segment for "industrial infra (energy and allied services)". The CODM reviews the information for this single segment only. Accordingly, the Company has provided only geographical segment disclosures.

Disclosure pursuant to Ind AS 108 Operating Segments

	March 31, 2025	March 31, 2024
Revenue^		
Within India	1,817.55	1,956.35
Outside India	447.71	295.56
Total Revenue	**2,265.26**	**2,251.91**
Carrying Amount of non current assets		
Within India	320.31	323.86
Outside India	-	-
Total Asset	**320.31**	**323.86**
Addition to plant, property and equipment and intangible assets		
Within India	17.22	3.13
Outside India	-	-
Total Addition to plant, property and equipment and intangible assets	**17.22**	**3.13**

^During the current financial year there are no external customers who contributes 10% or more of total revenue, during the last financial year there were two external customer who contributes 10% or more of total revenue amounting to Rs.546.17

31 Fair value measurements

Judgements

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

a) Category of financial instruments and valuation techniques

Details of financial assets carried at amortised cost

	As at March 31, 2025	As at March 31, 2024
Trade receivables	658.41	531.59
Loans	1.33	1.20
Investments	67.56	108.96
Other financial assets	260.98	223.66
Cash and cash equivalents	55.49	14.22
Bank balances other than cash and cash equivalents	705.28	262.12
Total	**1,749.05**	**1,141.75**
Current assets	1,401.08	1,083.43
Non-current assets	347.97	58.32
Total	**1,749.05**	**1,141.75**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Details of financial assets carried at fair value through profit and loss

	As at March 31, 2025	As at March 31, 2024
Investments	223.66	299.16
Total	**223.66**	**299.16**
Current assets	190.65	299.16
Non-current assets	33.01	-
Total	**223.66**	**299.16**

The fair values of mutual funds are based on price quotations at the reporting date.

Details of derivative assets

	As at March 31, 2025	As at March 31, 2024
Derivative instruments		
Cash flow hedges		
Foreign exchange forward contracts	3.30	0.36
Derivative not designated as hedges		
Foreign exchange forward contracts	1.45	0.31
Total	**4.75**	**0.67**
Current assets	4.75	0.67
Non-current assets	-	-
Total	**4.75**	**0.67**

Details of derivative liabilities

	As at March 31, 2025	As at March 31, 2024
Derivative instruments		
Cash flow hedges		
Foreign exchange forward contracts	6.40	0.87
Derivative not designated as hedges		
Foreign exchange forward contracts	1.20	0.38
Total	**7.60**	**1.25**
Current liabilities	7.60	1.25
Non-current liabilities	-	-
Total	**7.60**	**1.25**

The Company enters into derivative financial instruments with banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs which captures credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

Details of financial liabilities carried at amortised cost

	As at March 31, 2025	As at March 31, 2024
Borrowings	-	85.06
Trade payables	434.87	357.00
Employee related payables	31.70	26.39
Other liabilities	1.14	1.17
Total	**467.71**	**469.62**
Current liabilities	467.71	469.40
Non current liabilities	-	0.22
Total	**467.71**	**469.62**

Details of financial liabilities carried at fair value

	As at March 31, 2025	As at March 31, 2024
Borrowings		
Preference Shares : (Nil (March 31, 2024 : 52,700,000) redeemable preference shares of Rs. 10/- each)	-	76.85
Total	**-**	**76.85**
Current liabilities	-	76.85
Non-current liabilities	-	-
Total	**-**	**76.85**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2025

	Date of valuation	Level 1	Level 2	Level 3*
Financial assets				
Investments				
Mutual funds	March 31, 2025	222.94	-	-
Corporate deposits	March 31, 2025	-	67.56	-
Derivative financial assets	March 31, 2025	-	4.75	-
Financial liabilities				
Derivative financial liabilities	March 31, 2025	-	7.60	-
Borrowings*	March 31, 2025	-	-	-

Quantitative disclosures of fair value measurement hierarchy for assets as at March 31, 2024

	Date of valuation	Level 1	Level 2	Level 3*
Financial assets				
Investments				
Mutual funds	March 31, 2024	299.16	-	-
Corporate deposits	March 31, 2024	-	108.96	-
Derivative financial assets	March 31, 2024	-	0.67	-
Financial liabilities				
Derivative financial liabilities	March 31, 2024	-	1.25	-
Borrowings*	March 31, 2024	-	-	76.85

There has been no transfer between Level 1 and Level 2 during the year and during the previous year.

Valuation of financial assets in Level 3 has been done based on discounting of future cash flows. There are no transfers into or out of Level 3 of the fair value hierarchy during the year.

*The change is on account of redemption of preference shares (borrowings) during the year.

32 (a) Financial risk management

The Company's principal financial liabilities, other than derivatives, comprise trade and other payables and borrowings. 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, loans and cash and cash equivalents that it derives directly from its operations. The Company holds FVTPL investments and also enters into derivative transactions.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the years ended March 31, 2025 and March 31, 2024. The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

I Market risk

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates, foreign exchange rates and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all investments traded in the market.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is not currently exposed significantly to such risk as the loans taken were from the Parent Company. The Company repaid the loan during the previous year. The outstanding loans as on date pertains to packing credit where changes in the interest rates are not expected to be significant.

b Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

Foreign exchange risk is managed on the basis of limits determined by management and a continuous assessment of current and expected exchange rate movements and entering into derivative contracts(foreign currency forward contracts) that hedge the maximum period of exposure of underlying transactions (i.e. highly probable forecast sales and purchases).

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of expected settlement of the resulting receivable or payable that is denominated in the foreign currency.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in USD and EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities including foreign currency derivatives not designated as cash flow hedge and foreign currency derivatives with underlying foreign currency monetary assets/liabilities designated as cash flow hedge. The impact on the Company's pre-tax equity is due to changes in the fair value of forward exchange contracts designated as cash flow hedges.

	Impact on profit before tax		Impact on other components of equity	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
USD Sensitivity				
INR/ USD - Increase by 1%	(0.13)	(0.76)	(11.14)	(1.82)
INR/ USD - Decrease by 1%	0.13	0.76	11.14	1.82
JPY Sensitivity				
INR/ JPY - Increase by 1%	-	(0.02)	-	-
INR/ JPY - Decrease by 1%	-	0.02	-	-
EURO Sensitivity				
INR/ EUR - Increase by 1%	0.09	0.06	-	(0.01)
INR/ EUR - Decrease by 1%	(0.09)	(0.06)	-	0.01

Favourable impact shown as positive and adverse impact as negative.

The exposure to other foreign currencies is not significant to the Company's financial statements.

c Price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. These securities are quoted and unquoted. The Company manages the price risk through diversification and by placing limits on individual and total mutual fund instruments. Further, the price risk is also mitigated by switching the investment portfolio between investment in mutual fund instruments and investments in bank deposits/corporate deposits. Reports on the investment portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all equity investment decisions. The Company is not currently exposed significantly to such risk.

II 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 contract assets) and from its financing activities,

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

including deposits with banks, foreign exchange transactions and other financial instruments.

Trade receivables/ contract assets

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes 6 and 8(b) above. The charge of impairment to Statement of profit and loss is disclosed in note 26(a) above. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and bank deposits

Credit risk from balances with banks, mutual funds, loans and other financial assets are managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties having a good market reputation and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for bank balances and deposits as at March 31, 2025 and March 31, 2024 is the carrying amounts as disclosed in Note 8(a) and 12, maximum exposure relating to financial derivative instruments is disclosed in notes 8(b) and 17(b) to the financial statements.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company treasury maintains flexibility in funding by maintaining availability under committed credit lines.

The management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at operating segments level in the Company in accordance with practice and limits set by the Company. In addition, the Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

(i) Maturities of financial liabilities

The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2025	< 1 year	1 to 3 years	> 3 years
Non- derivative			
Trade Payables	434.87	-	-
Other financial liabilities			
Other payables	32.84	-	-
Derivatives (net settled)			
Foreign exchange forward contracts	7.60	-	-

March 31, 2024	< 1 year	1 to 3 years	> 3 years
Non- derivative			
Borrowings	161.91	-	-
Trade Payables	357.00	-	-
Other financial liabilities			
Other payables	27.34	0.22	-
Derivatives (net settled)			
Foreign exchange forward contracts	1.25	-	-

34 (b) Hedging activities and derivatives

Cash flow hedges

Foreign currency risk

Foreign exchange forward contracts measured at fair value through OCI are designated as hedging instruments in cash flow hedges of forecast sales in USD, EUR and forecast purchases in USD and EUR. These forecast transactions are highly probable, and fully cover the Company's expected future sales and future purchases based on the orders received.

While the Company also enters into other foreign exchange forward contracts with the intention to reduce the foreign exchange risk of expected sales and purchases, these other contracts are not designated in hedge relationships and are measured at fair value through profit or loss.

The foreign exchange forward contract balances vary with the level of expected foreign currency sales and purchases and changes in foreign exchange forward rates.

	March 31, 2025		March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Fair Value of Foreign exchange forward contracts designated as hedging instrument	4.75	(7.60)	0.67	(1.25)

The terms of the foreign currency forward contracts match the terms of the expected highly probable forecast transactions. As a result, no hedge ineffectiveness arise requiring recognition through profit or loss. Notional amounts of hedged instruments mentioned as assets for export transaction and as liabilities for import transactions, are as mentioned below.

	March 31, 2025		March 31, 2024	
	Assets	Liabilities	Assets	Liabilities
Cash flow hedge				
Foreign exchange forward contracts	1,192.24	-	283.09	-
Derivatives not designated as hedges				
Foreign exchange forward contracts	107.17	128.39	122.92	63.47

Majority of the derivative contracts mature within the next 12 months.

The cash flow hedges of the expected future sales and purchases were assessed to be highly effective and following net unrealised gain / (loss) with a deferred tax asset/ (liability) relating to the hedging instruments, is included in OCI.

	March 31, 2025		March 31, 2024	
	Expected future sales	Expected future purchases	Expected future sales	Expected future purchases
Unrealised gain/(Loss)	(3.13)	-	(0.19)	-
Deferred tax asset/ (liability)	0.79	-	0.05	-
	(2.34)	**-**	**(0.14)**	**-**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

33 Key Financial Ratios

Ratios	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Change	Reason for Variance
Current Ratio	Current Assets	Current Liabilities	1.21	1.34	-9.88%	
Debt-Equity Ratio	Total Debt	Shareholder's Equity	-	0.20	-100.00%	Refer 33 (a)
Debt service coverage ratio	Earnings for debt service = Net profit after taxes + Non-cash operating expenses	Debt service = Interest & Lease Payments + short term borrowings	28.34	1.89	1396.65%	Refer 33 (b)
Return on Equity Ratio	Net Profits after taxes – Preference Dividend	Average Shareholder's Equity	24.14%	17.41%	38.62%	Refer 33 (c)
Inventory Turnover Ratio	Cost of goods sold	Average Inventory	8.26	7.51	9.97%	
Debtors turnover ratio	Net sales = Gross sales - sales return	Average Trade Receivable	3.81	4.14	-8.12%	
Trade payables turnover ratio	*Net purchases	Average Trade Payables	4.63	4.63	0.06%	
Net working capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	7.23	5.43	33.30%	Refer 33 (d)
Net Profit ratio	Net Profit after tax	Net sales = Total sales - sales return	9.96%	5.88%	69.49%	Refer 33 (e)
Return on capital employed	Earnings before interest and taxes	Capital Employed = Net Worth + Total long term Debt	29.90%	23.35%	28.03%	Refer 33 (e)
Return on investment	Interest (Finance Income)	Average Investment	7.28%	7.53%	-3.36%	

*Net credit purchases = Gross credit purchases - purchase return + staff welfare + Other expenses (Excluding Bad debts written off, Provision for impairment allowance on financial assets, warranty expenses & Loss on sale/discard of assets)

33(a) Repayment of loan during the year has resulted into Nil debt equity ratio.

33(b) Repayment of loan and increase in Earnings before interest, tax and depreciation (EBITDA) has resulted into better debt service coverage ratio.

33(c) Accrual of government grant resulted better profitability leads to higher return to equity holder.

33(d) Increase in customer advances resulted in better net working capital ratio.

33(e) Better margins and accrual of government grant during the year has resulted in higher net profit ratio and better return on capital employed.

34 Struck off companies

There are no transactions & outstanding balances with struck off companies for the year ended March 31, 2025.

Below are details of investment, receivable, payable and any other transactions outstanding with struck off companies.

For the year ended March 31, 2024

Name of struck off company	Nature of other outstanding balances	Transactions During the Year	Balance outstanding	Relationship with the struck off Company, if any, to be disclosed
Compact Global Private Limited	Payable	-	0.65	None

35 Share based payments

Employee stock option and share based payments

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the Company recognises employee compensation expense, using the grant date fair value in accordance with Ind AS 102 - Share Based Payment, on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. Employees (senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

The Company initially measures the cost of transactions with employees using a Black Scholes Options Pricing model to determine the fair value of the liability incurred.

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model and the performance of the Company, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed below.

Employees Stock Option Plan 2021 (ESOP 2021)

The Parent Company approved Employee Stock Option Plan in financial year 2021-22. Pursuant to this approval, the Parent Company instituted ESOP 2021 Plan in January 2022. The compensation committee of the Parent Company administers this Plan. Each option carries with it the right to purchase one equity share of the Parent Company. The Options have been granted to employees of the Company at an exercise price that is not less than the face value of shares as on date of grant of such option. Option Granted under ESOP 2021 shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 3 (Three) years from the date of Grant. The vesting of the options is 33%, 33% and 34% of total options granted after end of first, second and third year respectively from the date of grant. The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Crore, except per share data and unless stated otherwise)

Particulars	March 31, 2025		March 31, 2024	
	No.of options	Weighted average exercise price per option (Rs.)	No.of options	Weighted average exercise price per option (Rs.)
Options outstanding at the beginning of the year	454	15.25	4,241	15.25
Granted during the year	500	15.25	3,471	15.25
Forfeited during the year	-	15.25	-	15.25
Exercised during the year	-	15.25	5,236	15.25
Lapsed during the year	-	15.25	2,022	15.25
Options outstanding at the end of year	954	15.25	454	15.25
Options exercisable at the end of the year	330	15.25	-	15.25

The weighted average remaining contractual life is as follows:

Particulars	March 31, 2025	March 31, 2024
Exercise price	Rs. 15.25 per share	Rs. 15.25 per share
Weighted average contractual life (years)	Ranging between 1.83 - 4.28 Years	Ranging between 1.83 - 1.90
No. of Options	954	454

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Particulars	March 31, 2025	March 31, 2024
1. Exercise price (Rs.)	15.25	15.25
2. Price of underlying share in the market at the time of option grant (Rs.)	Ranging between 2,139.45 - 4,485.35	Ranging between 2,139.45 - 2,415.85
3. Weighted average fair value of options granted (Rs)	Ranging between 2,107.61 - 4384.98	Ranging between 2,105.39 - 2,379.45
4. Expected life of the option (years)	3 -5	3 -5
5. Risk free interest rate (%)	Ranging between 6.41% - 7.56%	Ranging between 6.53% - 7.05%
6. Expected volatility (%)	Ranging between 12.86% - 14.09%	Ranging between 12.86% - 13.14%
7. Dividend yield (%)	Ranging between 0.47% - 0.48%	0.48%

The Company recorded an employee compensation cost of Rs. 0.21 (March 31, 2024 : Rs 0.80) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

36 (a) Compliance with section 143(3) for maintenance of books of account

The Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. The Company has complied with the provision of section 143(3) of the act for maintenance of books of account.

(b) The Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for direct changes to data for users with certain privileged access rights to the Infor Baan application. Further no instance of audit trail feature being tampered with was noted in respect of other software. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective years.

37 Disclosure required under section 186 (4) of Companies Act, 2013

Loans to related parties include loans given to Holding Company. The particulars of which are disclosed below as required by Sec 186(4) of the Act:

Name of the party	Rate of Interest (p.a.)	Period	Purpose	As at March 31, 2025	As at March 31, 2024
Thermax Limited	Interest rate of 7.90% is based on the comparative quotes taken from bank	The loan shall be repaid within a period of 2 years.	The loan has been granted to the Holding Company for working capital requirements amounting to Rs. 345 (March 31 2024: Rs. Nil).	-	-

38 Capital Management

The Company's objective for capital management is to maximise long - term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long - term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the years ended March 31, 2025 and March 31, 2024. Capital represents equity attributable to equity holders of the Parent Company.

	As at March 31, 2025	As at March 31, 2024
Borrowings	-	161.91
Less: Cash and cash equivalents	(55.49)	(14.22)
Net debt	**(55.49)**	**147.69**
Equity	1,043.41	826.19
Capital and net debt	**987.92**	**973.88**
Gearing ratio	**-**	**1 : 6.59**

39 Other statutory information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

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

(iv) (A) The Company has not advanced or loaned or invested funds to any other person or entity, 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.

(B) 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 Company 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.

(v) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)

(vi) The Company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Reg. No.: 324982E/E300003

per **Sumit Kumar Agrawal**
Partner
Membership No. 135859

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of
Thermax Babcock & Wilcox Energy Solutions Limited

Rajendran Arunachalam
Director
DIN: 08446343

Rajesh Bukinkere
Director and CEO
DIN: 10486449

Sandeep Deshpande
Chief Financial Officer

Apurva Gupte
Company Secretary

Place: Pune
Date: May 07, 2025

First Energy Private Limited

Board of Directors
Arun Unni
Rajendran Arunachalam
Ashish Bhandari
Meher Pudumjee

Registered Office
Thermax House,
14, Mumbai – Pune Road, Wakdewadi,
Pune – 411003

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personnel
Ravi Damaraju, CEO
Mitish Somani, CFO (upto April 05, 2024)
Sampada Sakhare,CS (upto February 7,2025)
Pranav Pimpale,CS (w.e.f. April 30,2025)
Sumit Rathi, CFO (w.e.f. May 06, 2024)

Bankers
HSBC Bank
ICICI Bank

Corporate Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

DIRECTORS' REPORT

Dear Shareholder,

The Directors have the pleasure of presenting the Seventeenth Annual Report of the Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Total income	6,792.59	4,929.13	10,979.88	9,110.03
Profit/(Loss) before depreciation	(272.47)	(1,308.43)	6.49	(802.13)
Depreciation and impairment	168.63	91.89	4,188.26	2,472.46
Profit/(Loss) before tax	(441.10)	(1,400.32)	(4,181.77)	(3,274.59)
Provision for taxation (incl. deferred tax)	-	-	(8.52)	29.32
Items that not to be reclassified to profit or loss	22.84	(17.98)	22.85	(17.98)
Profit/(Loss) after tax	(441.10)	(1,400.32)	(4,173.25)	(3,303.91)

State of Company's Affairs

The Company has successfully completed two years of operation of its first set of projects comprising of a 16. 7 MWp Group Captive Solar Project in the state of Tamil Nadu and an 11.5 MWp Captive solar project in Maharashtra. The Company launched its first hybrid project of 51.8 MWp in Gujarat which is completed and is in operation since June 2023.

The company also launched a 130 MWp bundled solar wind project in Tamil Nadu out of which 90 MWp was commissioned between September 2023 and April 2024 progressively. The balance attributed to 39 MW Wind is in stabilisation and in advance stage of completion respectively, of which 24 MW is completed and balance 15MW is under construction.

24MW wind projects were commissioned during the financial year and 19.5 MWp Solar projects in Maharashtra during the current financial year taking the total capacity to 213.5 MWp for Solar cum wind projects.

The Company has made a strategic decision to implement renewable capacities together with the energy storage systems connected to Inter State Transmission System (ISTS) and accordingly secured 100 MW connectivities each in Andhra Pradesh, Tamil Nadu and Rajasthan Power Grid Substations.

There has not been any change in the nature of business of the Company during the year.

Material Changes Affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affects the financial position of the Company

Dividend

In view of the losses, the directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the Company. The Company's Authorised share Capital is Rs. 525,00,00,000/- (Rupees five hundred and twenty-five crores only) divided into 52,50,00,000 (Fifty-two crores fifty lakhs) Equity Shares of Rs. 10/- each.

The Paid-up Share Capital of the Company is Rs. 4,19,31,63,650 divided into Equity Shares of Rs. 41,93,16,365 of Rs. 10 each for financial year under report. During the year under review, the Company has made the further issue of shares to the existing shareholders on a rights basis. Details of the further issue of shares are as follows:

Date of Issue	Number of Shares	Nominal value per share (Rs.)	Amount (Rs.)
14-05-2024	1,20,00,000	10	12,00,00,000
31-05-2024	33,30,000	10	3,33,00,000
03-03-2025	1,00,00,000	10	10,00,00,000

The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures and Associates

During the year the Company has incorporated One subsidiary namely First Energy 11 Private Limited, for carrying out its Group Captive or Captive Power projects in different states.

The annual accounts of the subsidiary companies and related detailed information are available to the shareholders of the holding and subsidiary company as well as to the statutory authorities. On request, these documents will be made available for inspection at the Company's corporate office.

The Company had entered into a Share Purchase Agreement (SPA) with the former owners of Onix Two Enersol Private Limited (OTEPL) on September 6, 2024, to acquire 100% of OTEPL's shares for INR 1 lakh. The agreement specified certain precedent conditions that were to be fulfilled by October 5, 2024. These conditions remained unfulfilled and a further extension of six months was granted. These conditions were not complied even in the extended period. Accordingly, the acquisition did not consummate and hence equity investment of INR 1 lakh was reclassed to other receivables in the Company's financials and accordingly OTEPL is not the Company's subsidiary.

Highlights of performance of subsidiaries

During the year, the Company has launched wind solar hybrid captive projects aggregating to 380 MWp across the states of Gujurat, Andhra Pradesh and Tamil Nadu.

During the year the Company commissioned 44.2 MWp of wind and solar across Maharashtra and Tamil Nadu.

Projects aggregating to 213.5 MWp are successfully operational accross States of Tamil Nadu Maharashtra and Gujurat.

First Energy Private Limited

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as of March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its Renewable Energy business and has drawn a mitigation plan to address the same –

- **Land Risk :**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources :**

  This type of risk involved the risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also collaborates with competent local infra partners and engages with experienced and capable service partners.

- **Renewable Sources and Grid Availability :**

  The risk identified by the Company is lower generation on account of lower radiation, wind speed, and Grid failures. The Company continuously studies the radiation levels and Wind Resources Assessment with historical data from reliable sources and accordingly sizes the plant and the financial models for arriving at the right tariff for the available conditions. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses :**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using waterless robotic technology for cleaning modules and therefore manpower dependency is reduced. The Board at its meetings periodically reviews and monitors these risks and their mitigation plan.

Health and Safety

Across all its operational assets, sites and offices, the company implements policies that covers Health and safety.

The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week,Sustainabiltiy week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors
- HSE Digitialisation: - HSE digital software implmented for Hazard reporting, at risk behaviour reporting

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

During the year, Mr. Arun Unni (DIN: 10831177) is appointed as an Additional Director of the Board with effect from November 27, 2024 and Ms. Sampada Sakhare resigned as the Company Secretary and Key Managerial Personnel of the Company with effect from February 7, 2025.

Mr Sumit Rathi was appointed as the Chief Financial Officer of the Company with effect from May 06,2024 while Mr Mitish Somani ceased to be the Chief Financial Officer from April 05,2024.

Under the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Rajendran Arunachalam (DIN: 08446343) retires by rotation and being eligible offers, himself for re-appointment. The proposal of re-appointment forms part of the Notice of the Seventeenth AGM of the Company.

Board Evaluation

According to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its performance and of its individual Directors.

Board Meetings

The Board met Five times during the year under review, on May 6, 2024, July 29, 2024, November 07, 2024, January 27, 2025 and February 25, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs during the year.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel, or other designated persons that may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

During the year, RPTs were placed before the Board for approval. A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Standalone and Consolidated Financial Statements

The financial statements for the year ended March 31, 2025, have been prepared as per Schedule III to the Companies Act, 2013, as amended from time to time. The consolidated financial statements of the group are prepared in compliance with the Accounting Standards.

Maintenance of Cost Records

The requirement for maintenance of the Cost Records according to Section 148(1) of the Companies Act, 2013, does not apply to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar, Wind and associated Renewable energy generation sources for commercial & industrial customers.

As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning. In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses

Foreign Exchange Earnings and Outgo

Below are the details of foreign currency earnings and outgo made during the year.

Foreign currency earnings	Amt. Rs.	3,90,05,107
Foreign currency outgo	Amt. Rs.	1,31,46,538

Particulars of Employees

The total number of permanent employees on the rolls of the company as of March 31, 2025 was 75.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.)

Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. It has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013.

No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016 and during the year there is no instance of one-time settlement with any Bank or Financial Institution.

Auditors

Statutory Auditors

The members of the Company in their Fifteenth Annual General Meeting had appointed M/s Price Waterhouse Chartered Accountants LLP (FRN. 012754N/N500016) as Statutory Auditors for five years from the conclusion of the Fifteenth Annual General Meeting until the conclusion of the Twentieth Annual General Meeting to be held in FY 2028-29.

The Statutory Audit Report does not contain any qualifications, reservations, adverse remarks, or disclaimers.

Secretarial Auditors

Under the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. SVD and Associates, Practicing Company Secretaries, Pune, to undertake the secretarial audit of the Company for FY 2024-25. The Secretarial Audit Report for FY 2024-25 is attached as Annexure 1 to this Report.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks, or disclaimers.

Annual Return

The Company shall place an annual return filed with the Registrar of Companies for the financial year 2024-25 on its website: www.feplglobal.com once the same is filed with the Registrar of Companies.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors, and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
First Energy Private Limited

Ashish Bhandari
Director and Chairman
DIN: 05291138

Pune, April 30, 2025

First Energy Private Limited

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2025

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
First Energy Private Limited,
Thermax House, 14, Mumbai Pune Road,
Wakdewadi, Pune - 411003.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **First Energy Private Limited** bearing **CIN: U40200PN2008FTC139032**, a subsidiary of public company in terms of the provisions of section 2(71) of the Companies Act, 2013 (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2025** complied with the statutory provisions listed hereunder and also that the Company has proper board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013, as amended from time to time (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder to the extent applicable;

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder to the extent of the securities held in dematerialized form;

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, External Commercial Borrowing and Overseas Direct Investment; (not applicable to the Company during the audit period)

(v) None of the Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are applicable to the Company.

(vi) The management has identified and confirmed the compliances of the following law as specifically applicable to the Company:

a) The Electricity Act, 2003 (to the extent applicable to the Company)

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by 'The Institute of Company Secretaries of India'.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with all Non-Executive Directors and a Chief Executive Officer. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and in case of shorter notice, the meeting is convened with necessary quorum and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and decisions through circular resolutions are carried out with requisite majority, as recorded in the minutes of the meetings of the Board of Directors.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period, there are no specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. except following:

1. Increase in the paid-up capital of the Company to INR 419,31,63,650/- by allotment of 1,53,30,000 equity shares of Rs. 10 each on following dates under Rights Issues approved by the Board of Directors:

Sr. No	Date of Board meeting/Circular resolutions for allotment of equity shares under Rights Issues	Number of shares allotted
1.	June 28, 2024	1,20,00,000
2.	July 29, 2024	33,30,000

2. The Company has incorporated a new wholly owned subsidiary by the name First Energy 11 Private Limited w.e.f. July 29, 2024 and has also acquired Onix-Two Enersol Private Limited as its wholly owned subsidiary w.e.f. October 08, 2024.

For **SVD & Associates**

Company Secretaries

Sheetal S. Joshi
Partner
FCS No: 10480
CP No: 11635
Peer review No: 6357/2025
UDIN: F010480G000232625

Place: Pune
Date: April 30, 2025

Note: *This report is to be read with letter of even date by the Secretarial Auditors, which is annexed as* ***Annexure A*** *and forms an integral part of this report.*

Annexure-A'

To,
The Members,

First Energy Private Limited,

Thermax House, 14, Mumbai Pune Road,

Wakdewadi, Pune - 411003.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. We have physically verified the documents and evidences and also relied on data provided through electronic mode to us.

5. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events, etc.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

   We have not verified the correctness and appropriateness of financial records and books of accounts of the Company

For **SVD & Associates**

Company Secretaries

Sheetal S. Joshi
Partner
FCS No: 10480
CP No: 11635
Peer review No: 6357/2025
UDIN: F010480G000232625

Place: Pune
Date: April 30, 2025

First Energy Private Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy Private Ltd

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of First Energy Private Limited ("the Company"), which comprise the Standalone Balance Sheet as at March 31, 2025, and the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act. Our responsibilities under those Standards are further described in the "Auditor's Responsibilities for the Audit of the Standalone 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 standalone 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.

Other Information

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

   Our opinion on the standalone 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 standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the standalone financial statements.

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, 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. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

7. 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

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

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

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

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone 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 standalone 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.

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

11. 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.

Other Matter

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

13. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid standalone financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including other comprehensive income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 38 to the standalone financial statements, 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, other than as disclosed in the Note 30(b) and 38 to the standalone financial statements, 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; and

        (c) Based on such audit procedures that we 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 or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes. Further, for accounting software other than the aforesaid database, we did not notice any instance of audit trail feature being tampered with, or not preserved as per the statutory requirements for record retention.

14. The Company has not paid any remuneration to its directors during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846

UDIN: 25109846BMLWHE5499
Place: Pune
Date: May 7, 2025

First Energy Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy Private Limited on the standalone financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Standalone Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to standalone financial statements of First Energy Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing deemed to be prescribed under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

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

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

Opinion

8. In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846

UDIN: 25109846BMLWHE5499
Place: Pune
Date: May 7, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of First Energy Private Limited on the standalone financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee) (Refer Note 3 to the standalone financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the standalone financial statements does not arise.

ii. (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The terms of sanction do not stipulate filing of quarterly returns or statements with such banks, and accordingly, the question of our commenting on whether the returns or statements are in agreement with the unaudited books of account of the Company, does not arise.

iii. (a) The Company has made investments in 6 mutual fund schemes and 5 companies (also refer Note 5 and 41 to the standalone financial statements), granted unsecured loans to 9 companies and one employee and provided security to 1 company. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans and security to subsidiaries and to employee are as per the table given below:

(₹ lakhs)

	Security	Loans
Aggregate amount granted/ provided during the year		
- Subsidiaries	401.85	40,898.30
- Employee	-	2.00
Balance outstanding as at balance sheet date in respect of the above case		
- Subsidiaries	10,812.92	33,986.50
- Employee	-	2.00

(Also, refer Note 5(a) and 30 to the standalone financial statements)

(b) In respect of the aforesaid investments, securities and loans, the terms and conditions under which such loans were granted, investments were made and security provided are not prejudicial to the Company's interest.

(c) In respect of the loans the schedule of repayment of principal and payment of interest has been stipulated, and the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.

(d) In respect of the loans, there is no amount which is overdue for more than ninety days.

(e) Following loans were granted to same parties, which have fallen due during the year or were renewed/extended.

Name of the parties	Aggregate amount of loans granted during the year (In Rs. lakhs)	Aggregate overdue amount settled by renewal or extension or by fresh loans granted to same parties (In Rs. lakhs)	Percentage of the aggregate to the total loans granted during the year
First Energy TN 1 Private Limited	2,553.00	1,950.00	76.38%
Jalansar Wind Energies Private Limited	-	20.00	Not applicable
Kanakal Wind Energies Private Limited	-	8.00	Not applicable
First Energy 2 Private Limited	-	135.00	Not applicable
First Energy 3 Private Limited	2,153.50	860.00	39.93%
First Energy 4 Private Limited	818.00	170.00	20.78%
First Energy 5 Private Limited	3,611.85	1,882.00	52.11%
First Energy 6 Private Limited	1,144.50	1,197.22	104.61%
First Energy 7 Private Limited	1,632.00	889.15	54.48%
First Energy 8 Private Limited	28,053.58	24,735.81	88.17%
First Energy Nine Private Limited	917.00	366.00	39.91%

(Also, refer Note 30 to the standalone financial statements)

(f) The loans granted during the year, including to related parties had stipulated the scheduled repayment of principal and payment of interest and the same were not repayable on demand.

iv. In our opinion, the Company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of the loans and investments made and security provided by it.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, income tax and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues of goods and services tax, provident fund, income tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amont (In Rs. lakhs)	Amount paid under protest (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax (including interest and penalty if applicable)	1,134.71	-	FY 21-22	Commissioner of Income Tax (Appeals)

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, except for the following cases:

Nature of the fund raised	Name of the lender	Amount diverted (Rs. in lakhs)	Purpose for which amount was sanctioned	Purpose for which amount was utilised	Remarks
Short term loan	MUFG Bank Ltd.	422.35	Repayment of the outstanding loans from Thermax Limited	Investment in mutual funds	The term loan obtained during the year has not been utilized because moneys were raised at the fag end of the year.
Short term loan	MUFG Bank Ltd	89.21	Repayment of the outstanding loans from Thermax Limited	Amount yet to be utilised kept in current account and bank deposits.	The term loan obtained during the year has not been utilized because moneys were raised at the fag end of the year.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) On an overall examination of the standalone financial statements of the Company, we report that the Company has taken funds from the following entities and persons on account of or to meet the obligations of its subsidiaries as per details below. Further, the Company does not have any associate or joint venture.

Nature of fund taken	Name of lender	Amount involved	Name of the subsidiary	Nature of transaction for which fund utilized
Equity	Thermax Limited	1,200.00	First Energy 8 Private Limited	For capital expenditure
Equity	Thermax Limited	333.00	First Energy Nine Private Limited	For capital expenditure
Equity	Thermax Limited	999.00	First Energy 10 Private Limited	For capital expenditure
Term loan	Thermax Limited	1,042.00	First Energy TN 1 Private Limited	For working capital and capital expenditure
Term loan	Thermax Limited	2,153.50	First Energy 3 Private Limited	For working capital and capital expenditure
Term loan	Thermax Limited	818.00	First Energy 4 Private Limited	For working capital and capital expenditure
Term loan	Thermax Limited	1,836.00	First Energy 5 Private Limited	For capital expenditure requirement
Term loan	Thermax Limited	1,060.00	First Energy 6 Private Limited	For working capital and capital expenditure
Term loan	Thermax Limited	1,632.00	First Energy 7 Private Limited	For capital expenditure
Term loan	Thermax Limited	26,599.00	First Energy 8 Private Limited	For capital expenditure
Term loan	Thermax Limited	846.00	First Energy Nine Private Limited	For working capital and capital expenditure
Term loan	Thermax Limited	11.00	First Energy 10 Private Limited	For capital expenditure
Short term loan	MUFG Bank Ltd.	1,293.00	First Energy TN 1 Private Limited	Repayment of interest on loan
Short term loan	MUFG Bank Ltd.	19.85	First Energy 5 Private Limited	Repayment of interest on loan
Short term loan	MUFG Bank Ltd.	1,116.85	First Energy 8 Private Limited	Repayment of interest on loan

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out in a phased manner. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 1,310.77 lakhs in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of Standalone Financial Statements. Accordingly, no comment in respect of the said clause has been included in this report.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846

UDIN: 25109846BMLWHE5499
Place: Pune
Date: May 7, 2025

First Energy Private Limited

Standalone Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3(a)	535.22	549.72
Right-of-use assets	3(b)	166.42	261.52
Intangible assets	4	10.12	27.26
Financial assets			
(i) Investments	5(a)	35,886.80	33,532.80
(ii) Finance lease receivables	29	160.95	187.38
(iii) Loans	11(a)	100.00	1,148.34
(iv) Other financial assets	6(a)	89.27	46.76
Deferred tax assets (net)	7 (b)	-	-
Income tax assets (net)	7 (a)	235.75	218.97
Total non-current assets		**37,184.53**	**35,972.75**
Current assets			
Financial assets			
(i) Investments	5(b)	101.04	1.04
(ii) Trade receivables	8	1,164.72	1,004.49
(iii) Cash and cash equivalents	9	827.65	630.32
(iv) Bank balance other than (iii) above	10	-	0.97
(v) Finance lease receivable	29	66.51	59.04
(vi) Loans	11(b)	33,886.50	17,451.41
(vii) Other financial assets	6(b)	381.94	1,003.39
Other current assets	12	261.77	300.70
Total current assets		**36,690.13**	**20,451.36**
Total assets		**73,874.66**	**56,424.11**
Equity and liabilities			
Equity			
Equity share capital	13	41,931.64	40,398.64
Other equity	14	(5,969.94)	(6,551.68)
Total Equity		**35,961.70**	**33,846.96**
Non-current liabilities			
Financial liabilities			
(i) Borrowings	15(a)	1,943.00	577.00
(ii) Lease liabilities	29	80.12	187.85
(iii) Other financial liabilities	17(a)	26.46	-
Provisions	16(a)	417.12	832.11
Total non-current liabilities		**2,466.70**	**1,596.96**
Current liabilities			
Financial liabilities			
(i) Borrowings	15(b)	33,386.40	18,375.10
(ii) Lease liabilities	29	124.62	110.36
(iii) Trade payables			
a. total outstanding dues of micro enterprises and small enterprises	19	21.30	48.57
b. total outstanding dues other than of micro enterprises and small enterprises	19	1,052.45	930.75
(iv) Other financial liabilities	17(b)	527.85	571.64
Provisions	16(b)	114.52	108.56
Other current liabilities	18	219.12	835.21
Total current liabilities		**35,446.26**	**20,980.19**
Total liabilities		**37,912.96**	**22,577.15**
Total equity and liabilities		**73,874.66**	**56,424.11**
Summary of material accounting policies	2		
Summary of significant accounting estimates and judgements	2.2		

The above Standalone Balance Sheet should be read in conjunction with the accompanying notes.
As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

Standalone Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Income			
Revenue from operations	20	4,911.27	3,169.45
Other income	21	1,881.32	1,759.68
Total Income		**6,792.59**	**4,929.13**
Expenses			
Cost of materials consumed	22	2,080.80	2,716.61
Purchase of stock-in-trade		200.02	-
Employee benefits expense	23	1,609.67	1,003.33
Finance costs	24	1,896.89	1,634.10
Depreciation and amortization expense	25	168.63	91.89
Other expenses	26	1,277.68	883.52
Total expenses		**7,233.69**	**6,329.45**
Loss before tax		**(441.10)**	**(1,400.32)**
Income tax expense			
Current tax	7(c)	-	-
Deferred tax	7(c)	-	-
Total tax expense		**-**	**-**
Loss for the year		**(441.10)**	**(1,400.32)**
Other comprehensive income			
Items that will not be reclassified to profit or loss		22.84	(17.98)
Re-measurement on post employment benefit obligations	16	22.84	(17.98)
Total other comprehensive income for the year		22.84	(17.98)
Total comprehensive income for the year		**(418.26)**	**(1,418.30)**
Loss per equity share			
Basic and Diluted [Nominal value per share Rs. 10/- (March 31, 2024: 10/-)]	27	(0.11)	(0.52)
Summary of material accounting policies	2		
Summary of significant accounting estimates and judgements	2.2		

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

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

First Energy Private Limited

Standalone Cash flow statement for the period ended March 31, 2025

(All amounts are in Rupees Lakhs, except stated otherwise)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows from operating activities**		
	Loss before tax	(441.10)	(1,400.32)
	Adjustments for		
	Depreciation and amortization expenses	168.63	163.76
	Finance costs	1,896.89	1,631.94
	Interest income on bank deposits	(4.87)	-
	Net gain on current investments designated at FVTPL	(8.12)	(2.34)
	Interest income on loan to subsidiaries	(1,825.00)	(1,608.49)
	Bad debts and balances written off	12.56	-
	Provision for impairment allowance of non-current financial assets (net)	180.00	-
	Provision for impairment allowance of financial assets (net)	58.31	-
	Provision for impairment allowance of non-financial assets (net)	120.00	-
	Provision no longer required written back	(43.33)	-
	Working capital adjustments		
	(Increase) in trade receivables	(231.09)	(794.81)
	Decrease in finance lease receivable	18.96	14.68
	Decrease in other financial assets	432.30	21.02
	(Increase)/Decrease in other assets	(81.07)	451.39
	Increase in trade payables	137.76	648.05
	Increase/(decrease) in provisions	(386.19)	403.33
	Increase in other financial liabilities	59.81	101.63
	Increase/(decrease) in other liabilities	(616.09)	160.37
	Cash used in operations	**(551.64)**	**(209.79)**
	Income taxes paid (net)	(16.78)	(158.32)
	Net cash used in operating activities	**(568.42)**	**(368.11)**
B)	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(41.89)	(914.14)
	Payments for intangible assets	-	(8.53)
	Interest income on bank deposits	4.87	-
	Redemption of fixed deposits with bank	0.97	-
	Investment in subsidiaries companies	(2,534.00)	(23,257.50)
	Purchase of mutual funds	(1,315.63)	-
	Proceeds from sale of mutual funds	1,222.75	39.14
	Interest income on loan to subsidiaries	1,972.62	1,390.67
	Loan to subsidiaries	(40,898.30)	(44,800.58)
	Repayment of loans by subsidiaries	25,511.56	42,330.51
	Net cash flows used in investing activities	**(16,077.05)**	**(25,220.43)**
C)	**Cash flows from financing activities**		
	Proceeds from issue of shares	1,533.00	25,058.00
	Share application money received pending allotment	1,000.00	-
	Proceeds from borrowings	67,506.83	55,202.00
	Repayment of borrowings	(51,129.53)	(53,561.52)
	Principal element of lease payments	(93.47)	(80.19)
	Interest paid	(1,974.03)	(1,457.95)
	Cost related to issue of own equity instruments	-	(4.94)
	Net cash flows from financing activities	**16,842.80**	**25,155.40**
	Net increase/(decrease) in cash and cash equivalents	**197.33**	**(433.14)**
	Cash and cash equivalents at the beginning of the year	630.32	1,063.46
	Cash and cash equivalents at the end of the year	**827.65**	**630.32**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	Year ended March 31, 2025	Year ended March 31, 2024
Cash and cash equivalents (refer note 9)	827.65	630.32
Balances as per statement of cash flows	**827.65**	**630.32**

Notes:

i) Standalone Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer Note 15(b) for Net debt reconciliation

The above Standalone Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

Statement of changes in Equity for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital

	March 31, 2025	March 31, 2024
Balance at the beginning of the year	40,398.64	15,340.64
Changes in equity share capital during the year	1,533.00	25,058.00
Balance at the end of the year	**41,931.64**	**40,398.64**

B Other Equity

Particulars	Reserves & Surplus			Share Application Money	Equity component of Compound Financial Instruments	Total Equity
	Retained Earnings	Securities Premium	Total			
As at April 01, 2023	**(6,335.37)**	**960.21**	**(5,375.16)**	**-**	**246.72**	**(5,128.44)**
Loss for the year	(1,400.32)	-	(1,400.32)	-	-	(1,400.32)
Other comprehensive income for the year	(17.98)	-	(17.98)	-	-	(17.98)
Total comprehensive income for the year	**(1,418.30)**	**-**	**(1,418.30)**	**-**	**-**	**(1,418.30)**
Cost related to issue of own equity instruments	-	(4.94)	(4.94)	-	-	(4.94)
Share application money received for allotment of shares	-	-	-	25,058.00	-	25,058.00
Shares allotted against the share application money received	-	-	-	(25,058.00)	-	(25,058.00)
March 31, 2024	**(7,753.67)**	**955.27**	**(6,798.40)**	**-**	**246.72**	**(6,551.68)**
Loss for the year	(441.10)	-	(441.10)	-	-	(441.10)
Other comprehensive income for the year	22.84	-	22.84	-	-	22.84
Total comprehensive income for the year	**(418.26)**	**-**	**(418.26)**	**-**	**-**	**(418.26)**
Share application money received for allotment of shares	-	-	-	2,533.00	-	2,533.00
Shares allotted against the share application money received	-	-	-	(1,533.00)	-	(1,533.00)
March 31, 2025	**(8,171.93)**	**955.27**	**(7,216.66)**	**1,000.00**	**246.72**	**(5,969.94)**

The above Standalone Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
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Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

First Energy Private Limited

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy Private Limited ("the Company") is primarily involved in Engineering, Procurement and Construction of solar power plant and other ancillary activities.

The Company is a private limited Company incorporated and domiciled in India. The address of its registered office is 14, Thermax House, Old Mumbai-Pune Highway, Wakdewadi Pune - 411003, India. The Board of Directors have authorized to issue these standalone financial statements on April 30, 2025. The CIN of the Company is U40200PN2008FTC139032.

2 MATERIAL ACCOUNTING POLICIES

(a) Basis of preparation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (the Act) (Ind AS compliant Sch III) as applicable.

The preparation of the standalone financial statements requires the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the standalone financial statements are disclosed separately in note 2.2.

(b) Historical cost convention

The standalone financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

2.1 Summary of material accounting policies, critical accounting estimates and judgements

a Current and non-current classification

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

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash 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 expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss (FVTPL), transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories by the company:"

(i) Debt instruments at amortized cost

A debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in income in the Standalone Statement of Profit and Loss. The losses arising from impairment are recognized in the Standalone Statement of Profit and Loss.

(ii) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on acquisition of an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a ""pass-through"" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in

Notes to the standalone financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as FVTPL or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

Gains and losses are recognized in Standalone Statement of Profit and Loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Standalone Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Standalone Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Standalone Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

c Foreign currencies translation

Accounting policy

The Company's standalone financial statements are prepared in INR, which is also the functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Standalone Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

d Fair value measurement

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

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

For the purpose of fair value disclosures, the company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.2 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Company's accounting policies, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving critical estimates or judgements are:

a. Estimations used for fair value measurement (Refer note 33)

b. Estimations used for impairment of financial assets and liabilities (2.2.b and 8)

c. Estimates and assumptions related to useful lives and impairment of Property, Plant and Equipment (PPE) (Refer note 3(a))

d. Estimates and assumptions for deferred taxes (Refer note 7)

e. Estimates and assumptions related to Provisions and employee benefit expenses (Refer note 16)

f. Estimates, judgments and assumptions used for revenue from operations (Refer note 20)

g. Estimates and judgements used for impairment of non-current assets (Refer note 5(a))

3(a). Property, plant and equipment

Accounting policy

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalized. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Standalone Statement of Profit and Loss during the financial year in which they are incurred. The carrying amount of the replaced part is derecognised. The carrying amount of an item of property, plant and equipment shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

All items of property, plant and equipment and capital work in progress are stated at cost of acquisition or construction net of accumulated

depreciation and impairment loss, if any.

The estimated useful life is supported by technical assessment. The following useful lives are adopted by the management:

Asset category	Group's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10	10 to 15
Office equipment	5	5
Furniture and fixtures	10	10
Computers and data processing units	3 to 6	3 to 6

Estimates and Assumptions

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Particulars	Plant and equipment	Office Equipment	Computer	Furniture and Fixtures	Total
Year ended March 31, 2024					
Gross carrying amount					
Opening gross carrying amount	541.93	5.23	48.18	1.21	596.55
Additions	-	0.39	14.30	1.35	16.04
Closing gross carrying amount	**541.93**	**5.62**	**62.48**	**2.56**	**612.59**
Accumulated depreciation					
Opening accumulated depreciation	-	0.36	9.69	0.08	10.13
Charge during the year	39.38	0.35	12.93	0.08	52.74
Closing accumulated depreciation	**39.38**	**0.71**	**22.62**	**0.16**	**62.87**
Net carrying amount as on March 31, 2024	**502.55**	**4.91**	**39.86**	**2.40**	**549.72**
Year ended March 31, 2025					
Gross carrying amount					
Opening gross carrying amount	541.93	5.62	62.48	2.56	612.59
Additions	-	2.08	34.82	4.99	41.89
Closing gross carrying amount	**541.93**	**7.70**	**97.30**	**7.55**	**654.48**
Accumulated depreciation					
Opening accumulated depreciation	39.38	0.71	22.62	0.16	62.87
Charge for the year	39.39	0.39	16.22	0.39	56.39
Closing accumulated depreciation	**78.77**	**1.10**	**38.84**	**0.55**	**119.26**
Net carrying amount as on March 31, 2025	**463.16**	**6.60**	**58.46**	**7.00**	**535.22**

Note - See note 28 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

3 (b) Right-of-use assets

Accounting policy

The Company recognises right-of-use assets ("ROU") at cost at the commencement date of the lease. The cost of ROU includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received. After the commencement date, ROU assets are measured at cost, less any accumulated depreciation and impairment loss (if any) and adjusted for any remeasurement of lease liabilities. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated remaining useful lives of the assets, as follows:

- Buildings - 5 years

Notes to the standalone financial statements for the year ended March 31, 2025
(All amounts in Rupees lakh, unless otherwise stated)

Particulars	Building	Total
Year ended March 31, 2024		
Gross carrying amount		
Opening gross carrying amount	475.50	**475.50**
Additions	-	**-**
Gross carrying amount as at March 31, 2024	**475.50**	**475.50**
Accumulated depreciation		
Opening accumulated depreciation	118.88	**118.88**
Charge for the year	95.10	**95.10**
Closing accumulated depreciation	**213.98**	**213.98**
Net carrying amount as on March 31, 2024	**261.52**	**261.52**
Year ended March 31, 2025		
Gross carrying amount		
Opening gross carrying amount	475.50	**475.50**
Additions	-	**-**
Gross carrying amount as at March 31, 2025	**475.50**	**475.50**
Accumulated depreciation		
Opening accumulated depreciation	213.98	**213.98**
Charge for the year	95.10	**95.10**
Accumulated depreciation as at March 31, 2025	**309.08**	**309.08**
Net carrying amount as on March 31, 2025	**166.42**	**166.42**

The Company has taken building premise on lease which has been accounted in accordance with Ind AS 116-Leases under right of use assets. Refer note 29 for further disclosure on leases.

4 Intangible Assets

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Standalone Statement of Profit and Loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Standalone Statement of Profit and Loss when the asset is derecognized.

The Company amortises intangible assets over the following periods:

- Software : 3 to 6 years

Assets category	Life (years)
Computer software	3 to 6

Particulars	Computer Software	Total
Year ended March 31, 2024		
Gross carrying amount		
Opening gross carrying amount	42.02	**42.02**
Additions	8.53	**8.53**
Gross carrying amount as at March 31, 2024	**50.55**	**50.55**
Accumulated amortisation		
Opening accumulated amortisation	7.37	**7.37**
Amortisation charge for the year	15.92	**15.92**
Closing accumulated amortisation	**23.29**	**23.29**
Net carrying amount as at March 31, 2024	**27.26**	**27.26**
Year ended March 31, 2025		
Gross carrying amount		
Opening gross carrying amount	50.55	**50.55**
Additions	-	**-**
Gross carrying amount as at March 31, 2025	**50.55**	**50.55**
Accumulated amortisation		
Opening accumulated amortisation	23.29	**23.29**
Amortisation charge for the year	17.14	**17.14**
Closing accumulated amortisation	**40.43**	**40.43**
Net carrying amount as at March 31, 2025	**10.12**	**10.12**

5(a). Non-current investments

Accounting policy

Equity investment in subsidiaries are carried at cost less impairment losses in the Standalone Balance Sheet. Determining whether non-current assets are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment held by each subsidiary. Further, the cash flow projections are based on estimates and assumptions relating to expected demand, expected tariff rates for electricity, discount rate and electricity market scenario, based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would not lead to a material change to the amount of impairment.

Estimates and Assumptions

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget over the useful life of assets as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows. The estimates involved includes long term debt cost, cost of equity and long-term debt equity ratio.

First Energy Private Limited

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts in Rupees lakh, unless otherwise stated)

Sr No.	Particulars	Face Value Per share In Rs	Number of units		Amount	
			As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
	Investments in equity instruments (fully paid up)					
	Equity shares in subsidiaries (Unquoted)					
1	First Energy TN1 Private Limited* (30% of total paid up shares pledged as security in respect of the term loan availed by First Energy TN1 Private Limited)	Rs 10	1,62,40,000	1,62,40,000	1,624.00	1,624.00
2	First Energy 2 Private Limited* (30% of total paid up shares pledged as security in respect of the term loan availed by First Energy 2 Private Limited)	Rs 10	85,35,005	85,35,005	853.50	853.50
3	First Energy 3 Private Limited* (30% of total paid up shares pledged as security in respect of the term loan availed by First Energy 3 Private Limited)	Rs 10	7,38,50,000	7,38,50,000	7,385.00	7,385.00
4	Jalansar Wind Energy Private Limited* (30% of total paid up shares pledged as security in respect of the term loan availed by Jalansar Wind Energy Private Limited)	Rs 10	16,39,000	16,39,000	163.90	163.90
5	Kanakal Wind Energy Private Limited* (30% of total paid up shares pledged as security in respect of the term loan availed by Kanakal Wind Energy Private Limited)	Rs 10	24,59,000	24,59,000	245.90	245.90
6	First Energy 4 Private Limited* (30% of total paid up shares pledged as security in respect of the term loan availed by First Energy 4 Private Limited)	Rs 10	5,07,20,000	5,07,20,000	5,072.00	5,072.00
7	First Energy 5 Private Limited* (30% of total paid up shares pledged as security in respect of the term loan availed by First Energy 5 Private Limited)	Rs 10	7,01,10,000	7,01,10,000	7,011.00	7,011.00
8	First Energy 6 Private Limited* (30% of total paid up shares pledged as security in respect of the term loan availed by First Energy 6 Private Limited)	Rs 10	3,30,10,000	3,30,10,000	3,301.00	3,301.00
9	First Energy 7 Private Limited* (30% shares pledged as security in respect of the term loan availed by First Energy 7 Private Limited)	Rs 10	1,33,95,000	1,33,95,000	1,339.50	1,339.50
10	First Energy 8 Private Limited	Rs 10	7,73,60,000	6,53,60,000	7,736.00	6,536.00
11	First Energy Nine Private Limited*	Rs 10	33,40,000	10,000	334.00	1.00
12	First Energy 10 Private Limited	Rs 10	10,000	-	1,000.00	-
13	First Energy 11 Private Limited	Rs 10	10,000	-	1.00	-
	Total Value of Investments				**36,066.80**	**33,532.80**
	Less : Impairment in value of investments				**180.00**	**-**
	Total non-current investments				**35,886.80**	**33,532.80**
	Notes :					
	Aggregate amount of quoted investments				-	-
	Aggregate amount of unquoted investments				36,066.80	33,532.80
	Aggregate amount of impairment in the value of investments				-	-

*The Company has written put options over the remaining equity interest in these subsidiaries. Based on the analysis of the terms of the agreement, the shares over which the put options have been written do not meet the definition of an "underlying" as per Ind AS 109 and therefore these put options have not been accounted for as a derivative contract.

Note - During the year, the Company made annual assessment of recoverability of the investments in subsidiaries and based on such assessment, an impairment provision of Rs. 180 lakhs in the value of investment has been recognised. Details of key assumptions used in the assessment are weighted average cost of capital - 8.15%, useful life of renewable energy plants - 30 years, residual value of assets - 5% of assets value.

5(b). Current investments

Accounting policy

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value (FVOCI). The Company makes such an election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. There are no equity instruments which are carried at FVOCI.

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts in Rupees lakh, unless otherwise stated)

Particulars	Number of units		Amount	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investments in Mutual funds				
Investments at fair value through profit and loss				
Nippon India Overnight Fund Growth - Regular	-	810.37	-	1.04
Aditya Birla Sun Life Money Manager Fund Growth-Regular	24,418.37	-	101.04	-
Total current investments			**101.04**	**1.04**
Aggregate amount of quoted investments and market value thereof			-	-
Aggregate amount of unquoted investments			101.04	1.04
Aggregate amount of impairment in the value of investments			-	-

Investments at fair value through profit and loss account reflect investment in unquoted mutual fund. Refer note 33 for determination of their fair values.

6(a). Other financial assets (Non-current)

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Security deposits	89.27	46.76
Total	**89.27**	**46.76**

6(b) Other Current financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on fixed deposits	1.83	1.83
Interest accrued receivable from group companies	257.62	405.24
Other receivables from group companies	101.45	576.28
Others	21.04	20.04
Total	**381.94**	**1,003.39**

7 (a). Income tax assets (net)

Accounting Policy

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax assets (net)	235.75	218.97
Total	**235.75**	**218.97**

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	218.97	60.65
Add: Taxes paid during the year	16.78	158.32
Less: Current tax payable for the year	-	-
Total	**235.75**	**218.97**

7 (b). Deferred tax assets (net)

Accounting Policy

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date. Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

Estimates and Assumptions

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
Employee benefit expenses	53.26	19.51
Lease liabilities	51.53	75.05
	104.79	**94.56**
Deferred tax liabilities		
Depreciation on property, plant and equipment and intangible assets	57.48	28.74
Right-of-use assets	41.89	65.82
Others	5.42	-
	104.79	**94.56**
Total	**-**	**-**

Movement in deferred tax assets

Particulars	As at March 31, 2025	As at March 31, 2024
Employee benefit expenses	33.75	(3.04)
Lease liabilities	(23.52)	(20.18)
Depreciation on property, plant and equipment and intangible assets	(28.74)	(0.71)
Right-of-use assets	23.93	23.93
Others	(5.42)	-
Deferred tax expense recognised in the Standalone Statement of Profit and Loss - (Charge)/Credit	**-**	**-**

The Company has tax losses, unabsorbed depreciation and other items of Rs. 6,952.64 lakhs (March 31, 2024: Rs. 7,034.61 lakhs) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company were able to recognise all unrecognised deferred tax assets, the loss for the year would decrease by Rs. 1,625.60 lakhs (March 31, 2024: Rs. 1,736.83 lakhs).

Particulars	Expiry date (Year ending March 31)	Number of units		Amount	
		As at March 31, 2025	As at March 31, 2024 Tax Impact	As at March 31, 2025	As at March 31, 2024 Tax Impact
Tax losses	2024	-	-	361.42	90.97
	2025	-	-	398.48	100.30
	2027	152.42	38.36	152.42	38.36
	2030	209.12	52.64	209.12	52.64
	2031	1,113.06	280.16	1,113.06	280.16
	2032	807.67	203.29	1,179.00	296.75
	2033	403.17	101.48	-	-
Total tax losses		**2,685.44**	**675.93**	**3,413.50**	**859.19**
Employee benefit expenses	No Expiry	300.06	75.53	202.65	51.01
Unabsorbed depreciation	No Expiry	2,797.14	704.04	2,608.46	656.53
Capital loss	2030	810.00	170.10	810.00	170.10
Total		**6,592.64**	**1,625.60**	**7,034.61**	**1,736.83**

7(c). Tax expenses

The Income Tax expense consists of following :

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	-	-
Deferred tax	-	-
Income tax expense reported in the Standalone Statement of Profit and Loss	**-**	**-**

Other comprehensive income	Year ended March 31, 2025	Year ended March 31, 2024
Deferred tax related to items recognised in other comprehensive income during the year	-	-
Net gain/(loss) on remeasurements of defined benefit plans	-	-
Deferred tax credit in other comprehensive income	**-**	**-**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Standalone Statement of Profit and Loss is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Loss before tax	(441.10)	(1,400.32)
Indian statutory income tax rate	25.17%	25.17%
Expected tax expense/ (credit)	(111.02)	(352.46)
Deferred tax assets not recognised on losses and depreciation	111.02	(352.46)
Others	-	-
Total tax expense	**-**	**-**

8 Trade Receivables

Accounting Policy

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price adjusted to significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables from:		
(i) Related parties		
- Billed	1,106.13	28.02
(ii) Others		
- Billed	116.90	976.47
Total	1,223.03	1,004.49
Sub-classification of trade receivables		
Secured, considered good	-	-
Unsecured, considered good	1,164.72	1,004.49
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	58.31	-
	1,223.03	**1,004.49**
Less: Impairment allowance	**58.31**	**-**
Total	**1,164.72**	**1,004.49**

Notes to the standalone financial statements for the year ended March 31, 2025
(All amounts in Rupees lakh, unless otherwise stated)

Trade receivables ageing:

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025								
(i) Undisputed Trade Receivables- considered good	8.93	-	1,109.52	27.46	16.49	2.32	-	**1,164.72**
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	58.31	-	-	**58.31**
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	**-**
Less: Impairment allowance	-	-	-	-	58.31	-	-	**58.31**
Total	**8.93**	**-**	**1,109.52**	**27.46**	**16.49**	**2.32**	**-**	**1,164.72**

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024								
(i) Undisputed Trade Receivables- considered good	481.54	-	453.23	69.72	-	-	-	1,004.49
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
Less: impairment allowance	-	-	-	-	-	-	-	-
Total	**481.54**	**-**	**453.23**	**69.72**	**-**	**-**	**-**	**1,004.49**

Expected Credit Loss (ECL)

Accounting policy

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month ECL. The Company considers current and anticipated future economic conditions relating to industries the company deals with and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Standalone Statement of Profit and Loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the Standalone Balance Sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount.

The following table summarises the change in impairment allowance measured using the life time expected credit loss model (Pursuant to Ind AS 109):

Estimates and assumptions

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period. The following table summarises the change in impairment allowance measured using the life time ECL model (Pursuant to Ind AS 109):

Particulars	Provision on trade receivables		Provision on unbilled revenue	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
At the beginning of the year	-	-	-	-
Less: Bad debts/write off	-	-	-	-
	-	-	-	-
Add: Provision made during the year	58.31	-	-	-
Less: Utilized/reversed during the year	-	-	-	-
At the end of the year	**58.31**	**-**	**-**	**-**

9. Cash and cash equivalents

Accounting Policy

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with banks		
- in current accounts	71.72	449.76
- in deposits with original maturity of less than three months	755.93	180.56
Total	**827.65**	**630.32**

10. Other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity of more than three months but less than twelve months	-	0.97
Total	**-**	**0.97**

11(a). Loans (Non-current)

Particulars	As at March 31, 2025	As at March 31, 2024
Loans to subsidiaries [refer note 30(a) and 30(b)]	100.00	1,148.34
Total	**100.00**	**1,148.34**

Break-up of loans

Particulars	As at March 31, 2025	As at March 31, 2024
Loans considered good - secured	-	-
Loans considered good - unsecured	100.00	1,148.34
Loans which have significant increase in credit risk	-	-
Loans impaired	-	-
Total	**100.00**	**1,148.34**
Less: Loss allowance	-	-
Total loans	**100.00**	**1,148.34**

11(b). Loans (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Loans to subsidiaries [refer note 30(a) and 30(b)]	33,886.50	17,451.41
Total	**33,886.50**	**17,451.41**

Break-up of loans

Particulars	As at March 31, 2025	As at March 31, 2024
Loans considered good - secured	-	-
Loans considered good - unsecured	33,886.50	17,451.41
Loans which have significant increase in credit risk	-	-
Loans impaired	-	-
Total	**33,886.50**	**17,451.41**
Less: Loss allowance	-	-
Total loans	**33,886.50**	**17,451.41**

12 Equity Share capital

Accounting Policy

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Advance to supplier	150.89	23.37
- Impairment provision	**(120.00)**	**-**
	30.89	23.37
Advance to employee	2.00	-
Unbilled revenue (Contract assets)	155.57	105.72
Prepaid expenses	12.76	33.07
Balances with government authorities	60.55	138.54
Total	**261.77**	**300.70**

There were no advances due by directors or officers of the Holding company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

13. Equity share capital

Accounting Policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees, amounts paid to legal, accounting and other professional advisers, printing costs and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized shares		
525,000,000 (Previous year 525,000,000) equity shares of Rs. 10/- each.	52,500.00	52,500.00
	52,500.00	**52,500.00**
Issued, subscribed and fully paid share capital		
419,316,365 (Previous year 403,986,365) equity shares of Rs. 10/- each.	41,931.64	40,398.64
	41,931.64	**40,398.64**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	No. of shares	Amount
Equity share of Rs. 10 each issued, subscribed and fully paid		
As at April 01, 2023	15,34,06,365	15,340.64
Changes during the year	25,05,80,000	25,058.00
As at March 31, 2024	40,39,86,365	40,398.64
Changes during the year	1,53,30,000	1,533.00
As at March 31, 2025	**41,93,16,365**	**41,931.64**

Notes to the standalone financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by ultimate holding / holding company

Particulars	As at March 31, 2025	As at March 31, 2024
Holding company		
Thermax Limited	41,931.64	40,398.64
419,316,359 (Previous year 403,986,359) equity shares of Rs. 10/- each.		

d) Equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2025	As at March 31, 2024	% Change during the Year
Thermax Limited			
% Holding	100.00%	100.00%	0.00%
No. of shares	41,93,16,359	40,39,86,359	

(e) Details of shareholding of promoters:

Particulars	As at March 31, 2025	As at March 31, 2024	% Change during the Year
(i) Thermax Limited			
% Holding	100.00%	100.00%	0.00%
No. of shares	41,93,16,359	40,39,86,359	

(f) There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

14 Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
A. Securities premium		
Opening Balance	955.27	960.21
Less: Cost related to issue of own equity instruments	-	(4.94)
Balance at the end of the year	**936.51**	**936.51**
B. Retained earnings		
Opening Balance	(7,753.67)	(6,335.37)
Add: Loss for the year	(441.10)	(1,400.32)
Add: Other comprehensive income	22.84	(17.98)
Balance at the end of the year	**(8,171.93)**	**(7,753.67)**
C. Share application money		
Opening balance	-	-
Add: Addition during the year	2,533.00	25,058.00
Less: Share allotment during the year	1,533.00	25,058.00
Balance at the end of the year	**1,000.00**	**-**
D. Equity component of compound financial instrument	246.72	246.72
	246.72	246.72
Total	**(5,969.94)**	**(6,551.68)**

Nature and purpose of reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

15. Borrowings

a) Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
Loan from holding Company	1,943.00	577.00
Total	**1,943.00**	**577.00**

Details	Maturity date	Terms of payment	Interest Rate	As at March 31, 2025	As at March 31, 2024
Loan from holding company	Various	Repayable within 3 years from the disbursement (March 31, 2024 - Repayment in one or multiple tranches within 6 months)	8.60%-8.95% (March 31, 2024 - 8.60% - 8.80%)	1,943.00	577.00

(b) Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured loans		
Loan from financial institution	29,500.00	-
Loan from holding company	3,886.40	18,375.10
Total	**33,386.40**	**18,375.10**

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Details	Maturity date	Terms of payment	Interest Rate	As at March 31, 2025	As at March 31, 2024
Loan from holding company	Various	Repayable within 180 days from the disbursement	8.60% to 8.95% (March 2024 - 8.00% -8.45%)	3,474.78	17,963.48
Loan from holding company	On Demand	On demand	0%	411.62	411.62
Loan from financial institution	September 24, 2025	Bullet repayment within 180 days from the disbursement	8.65%	29,500.00	-

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	827.65	630.32
Other bank balances	-	0.97
Borrowings	(35,329.40)	(18,952.10)
Interest accrued	(286.08)	(363.22)
Lease liabilities	(204.74)	(298.21)
Net debt	**(34,992.57)**	**(18,982.24)**

Patriculars	Other assets		Liabilities from financing activities		Total
	Cash & cash equivalents	Other Bank Balance	Borrowings including accrued interest	Lease Liabilities	
Net debt as at April 1, 2023	**1,063.46**	**0.94**	**(17,500.85)**	**(378.40)**	**(16,814.85)**
Addition to lease					
Cash flows	(433.14)	0.03	(1,640.48)	80.19	(1,993.40)
Interest expenses	-	-	(1,602.37)	(29.57)	(1,631.94)
Interest paid	-	-	1,428.38	29.57	1,457.95
Net debt as at March 31, 2024	**630.32**	**0.97**	**(19,315.32)**	**(298.21)**	**(18,982.24)**
Cash flows	197.33	(0.97)	(16,377.30)	93.47	(16,087.47)
Interest expenses	-	-	(1,875.12)	(21.77)	(1,896.89)
Interest paid	-	-	1,952.26	21.77	1,974.03
Net debt as at March 31, 2025	**827.65**	**-**	**(35,615.48)**	**(204.74)**	**(34,992.57)**

16. Provisions

Accounting policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan, which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses are recognized immediately in the Standalone Balance Sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Standalone Statement of Profit and Loss in subsequent periods.

Past service costs are recognized in the Standalone Statement of Profit and Loss on the earlier of:

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

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes the following changes in the net defined benefit obligation as an expense in the Standalone 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"

The compensated absences such as privileged leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Standalone Statement of Profit and Loss. The Company does not have an unconditional right to defer settlement for any of these obligations and therefore have

Notes to the standalone financial statements for the year ended March 31, 2025
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been classified as current liability. However, based on past experience, the Company does not expect all employees to take the full amount of accrued leave or require payment within twelve months.

Provision for Long term incentive is calculated using the projected unit credit method to determine the present value of its defined benefit obligations and the related current service cost.

Estimates and Assumptions

Long Term Incentive Plan

The provision for other long term employee benefits which is recognized considering the estimated payout expected by the Group at present value using projected unit credit method. These include the determination of the discount rate and attrition rate. All assumptions are reviewed at each reporting date. The parameter which is most subjected to change is the attrition rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the long-term incentives.

16(a). Non-current provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (Refer Note 16(c))	104.63	77.41
Other long-term employee benefits (Refer Note 16(c))	312.49	754.70
Total	**417.12**	**832.11**

16(b). Current provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for gratuity (Refer Note 16(c))	6.37	10.10
Provision for compensated absence (Refer Note 16(c))	105.15	95.46
Other Provisions		
Provision for onerous contract*	3.00	3.00
Total	**114.52**	**108.56**

* No movement during the year.

16(c). Employee benefits plan

A. Defined contribution plans

The Company also has certain defined contribution plan. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the Company is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs 113.40 lakhs (March 31, 2024 – Rs 91.95 lakhs).

B. Defined Benefit plans and Other Long Term Plans

i) Compensated Absences

The Compensated Absences cover the Company's liability for earned leave which are classified as other long-term benefits.

The entire amount of the provision of Rs.105.15 lakhs (March 31, 2024 – Rs.95.46 lakhs) is presented as current, since the Company does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the company does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	As at March 31, 2025	As at March 31, 2024
Leave obligations not expected to be settled within the next 12 months	87.61	80.36

ii) Gratuity

The Group operates a defined benefit plan viz. gratuity for its employees as per the Payment of Gratuity Act, 1972. Every employee who has completed specified years of service is eligible for gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The Group has not funded the liability as on March 31, 2025.

I Changes in the net benefit obligation is as follows :

Particulars	Amount
April 01, 2023	**48.94**
Current service cost	26.36
Interest expense/(income)	0.94
Transfer In/(Out)	3.30
Total amount recognised in Profit or Loss	**30.60**
Experience adjustments	10.25
Actuarial gain from change in financial assumptions	6.74
Demographic adjustments	0.99
Total amount recognised in Other comprehensive income	**17.98**
Benefits paid	(10.01)
March 31, 2024	**87.51**
Current service cost	46.57
Transfer In/(Out)	(2.27)
Interest expense/(income)	6.03
Total amount recognised in Standalone Statement of Profit and Loss	**50.33**
Experience adjustments	(21.72)
Actuarial gain from change in financial assumptions	3.72
Demographic adjustments	(4.84)
Total amount recognised in Other comprehensive income	**(22.84)**
Benefits paid	(4.00)
March 31, 2025	**111.00**

II Significant assumptions

Particulars	March 31, 2025	March 31, 2024
Discount rate	6.60%	7.20%
Salary growth rate	10.00%	10.00%
Normal retirement age	60	60
Mortality table	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
Employee turnover	15.00%	10.00%

III Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	March 31, 2025	March 31, 2024
Discount rate		
1.00% increase	Decrease by 6.08	Decrease by 6.38
1.00% decrease	Increase by 6.73	Increase by 7.25
Future salary increase		
1.00% increase	Increase by 5.41	Increase by 6.14
1.00% decrease	Decrease by 5.01	Decrease by 5.53
Attrition rate		
1.00% increase	Decrease by 0.93	Decrease by 1.01
1.00% decrease	Increase by 1.02	Increase by 1.13

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Standalone Balance Sheet. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous periods.

IV. The following are the expected cash flows/contribution to the defined benefit plan in future years:

Particulars	March 31, 2025	March 31, 2024
Within next 12 months	6.37	10.10
Between 2-5 years	60.71	27.99
Next 5 years	216.79	212.02

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.71 years (March 31, 2024: 12.14 years)

iii) Other long-term employee benefits

The Company offers cash bonuses to certain managerial employees the amount of which is based on performance of the Company in a specific year. The amount of provision recognised for the long term employee benefit is Rs. 312.49 lakhs (31 March 2024 – Rs. 754.70 lakhs).

17(a) Other non-current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits/ retentions from customers and others	26.46	-
Total	**26.46**	**-**

17(b) Other current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Employee related payables	241.77	185.13
Interest accrued but not due on loans	286.08	363.22
Others	-	23.29
Total	**527.85**	**571.64**

18. Other current liabilities

Accounting Policy

Contract Liability : A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and customer advances as the case may be.

Particulars	As at March 31, 2025	As at March 31, 2024
Contract liabilities		
Advance from customers	32.49	312.99
Unearned revenue	85.99	461.89
Others		
Statutory dues	98.78	59.19
Others	1.86	1.14
Total	**219.12**	**835.21**

19 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises	21.30	48.57
Due to other than micro and small enterprises		
(i) Related parties (refer note 31)	646.25	428.75
(ii) Others	406.20	502.00
Total	**1,073.75**	**979.32**

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	As at March 31, 2025	As at March 31, 2024
i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
-Principal amount outstanding (whether due or not) to micro and small enterprises	21.30	48.57
-Interest due thereon	2.51	0.20
ii) The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
iii) The amount of payment made to the supplier beyond the appointed day during the year.	261.87	52.71
iv) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	3.02	0.62
v) The amount of interest accrued and remaining unpaid at the end of each accounting year.	5.53	0.82
vi) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	6.35	0.82

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) Undisputed - Micro and Small Enterprises	11.10	10.20	-	-	-	-	**21.30**
(ii) Undisputed - Others	284.04	87.02	362.76	154.48	164.15	-	**1,052.45**
(iii) Disputed dues- Micro and Small Enterprises	-	-	-	-	-	-	**-**
(iv) Disputed dues- Others	-	-	-	-	-	-	**-**
Total	**295.14**	**97.22**	**362.76**	**154.48**	**164.15**	**-**	**1,073.75**

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024							
(i) Micro and Small Enterprises	11.93	35.36	1.28	-	-	-	**48.57**
(ii) Others	593.60	14.58	154.48	168.09	-	-	**930.75**
(iii) Disputed dues - Micro and Small Enterprises	-	-	-	-	-	-	**-**
(iv) Disputed dues - Others	-	-	-	-	-	-	**-**
Total	**605.53**	**49.94**	**155.76**	**168.09**	**-**	**-**	**979.32**

20 Revenue from operations

Accounting Policy

Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primarily responsible for fulfilling the promise to provide the specified good or service and has discretion in establishing the price for the specified good or service. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The Company has following streams of revenue

• Revenue from Engineering, Procurement and Construction contracts

Engineering, Procurement and Construction (EPC) contracts are contracts specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Company identifies distinct performance obligations in each contract. For most of the contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

The Company may promise to provide distinct goods or services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Company uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date.

The Company uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated profits, are recorded proportionally as costs are incurred.

Costs associated with bidding for contracts are charged to the Statement of profit and loss when they are incurred. Costs that relate directly to a contract and are incurred in securing the contract are included as part of the contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are not distinct from the existing contract due to the significant integration service provided under the contract prior to modifications and are therefore, accounted for as part of the existing contract. The effect of a contract modification is recognized as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Company recognizes the expected losses from onerous contract as an expense immediately.

Penalties for any delay or improper execution of a contract are recognized as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables."

• Revenue from sale of goods

Revenue from sale of goods is recognised at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

• Revenue from sale of services

Revenue from sale of service includes revenue recognised on account of services including operation and maintenance contract, EPC supervision services and management fees. Revenue is recognized on a time proportion basis under the contracts.

• Revenue from leases where the Company is a lessor

Refer note 29 for accounting policy

Estimates and Assumptions

Judgements

A significant revenue of the Company's business relates to EPC contracts which is accounted using cost-based input method, recognizing revenue as the performance on the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Company has right to payment for performance completed till date, either contractually or legally. The input method requires management to make significant judgements of the extent of progress towards completion.

Estimates and assumptions:

Project cost to complete estimates: At each reporting date, the Company is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, contract assets and contract liabilities.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from contracts with customers		
Revenue from projects	2,775.19	2,995.68
Revenue from sale of trading goods	390.05	-
Revenue from services	1,614.74	35.84
Revenue from operating lease	81.50	85.15
Total	**4,861.48**	**3,116.67**
Other operating revenue		
Interest income from finance lease	47.56	51.83
Exchange fluctuation gain (net)	-	0.95
Duty drawback	2.23	-
Total	**49.79**	**52.78**
Revenue from operations (net)	**4,911.27**	**3,169.45**

(c) Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i) Revenue by category of contracts		
Over a period of time basis	4,471.43	3,032.47
At a point-in-time basis	390.05	-
Total revenue from contracts with customers	**4,861.48**	**3,032.47**
ii) Revenue by geographical market		
Within India	4,334.80	1,881.04
Outside India	526.68	1,151.43
Total revenue from contracts with customers	**4,861.48**	**3,032.47**

iii) Contract balances

The following table provides information about contract balances from contracts with customers as at the reporting date :

Particulars	As at March 31, 2025	As at March 31, 2024
Unbilled revenue (Refer note 12) - Contract assets	155.57	105.72
Unearned revenue (Refer Note 18) - Contract liabilities	85.99	461.89
Customer advances (Refer Note 18) - Contract liabilities	32.49	312.99

Contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date from projects and customised contracts. The Contract assets are transferred to Trade receivables on completion of milestones and its related invoicing.

The contract liabilities relate to unearned revenue and customer advances where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company's cash positions on specific projects.

Contract liabilities have decreased as the Company has received fewer advance against the future products and services to be provided.

iv) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Unearned revenue	461.89	0.43
Customer advance	299.55	374.48

(v) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts that have an original expected duration of one year or less.

vi) Reconciliation between revenue recognised in Standalone Statement of Profit and Loss and contract price

There is no significant difference between revenue recognised in Standalone Statement of Profit and Loss and contract price.

21 Other income

Accounting Policy

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability.

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Net gain on current investments designated at fair value through profit and loss (FVTPL)	8.12	2.34
Interest income on loan to subsidiaries	1,825.00	1,608.49
Interest income on bank deposits	4.87	-
Provisions no longer required written back	43.33	-
Miscellaneous income	-	148.85
Total	**1,881.32**	**1,759.68**

22 Cost of raw materials consumed

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventories at the beginning of the year	-	-
Add: Purchases	2,080.80	2,716.61
Inventories at the end of the year	-	-
Total	**2,080.80**	**2,716.61**

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

23 Employee benefits expense

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries, wages & bonus	1,364.24	961.60
Contribution to provident fund (Refer note 16(c))	113.40	91.95
Gratuity expense (Refer note 16(c))	50.33	30.60
Staff welfare expenses	81.70	43.60
Expenses recovered from group companies	-	(124.42)
Total	**1,609.67**	**1,003.33**

24 Finance costs

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest expense on loan from bank/financial institutions	13.98	-
Interest expense on loan from holding company	1,861.14	1,602.37
Interest on lease liabilities	21.77	29.57
Other finance costs	-	2.16
Total	**1,896.89**	**1,634.10**

25 Depreciation and amortization expense

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation of property, plant and equipment	56.39	52.74
Amortisation of right-of-use assets	95.10	95.10
Amortization of intangible assets	17.14	15.92
Expenses recovered from group companies (including capitalised)	-	(71.87)
Total	**168.63**	**91.89**

26 Other expenses

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Power and fuel	13.06	7.30
Site expenses and contract labour charges	64.50	72.02
Advertisement and sales promotion	0.70	18.40
Rent	9.36	-
Rates and taxes	1.30	1.00
Insurance	52.73	27.07
Repairs and maintenance		
- Computers	0.09	31.59
- Others	101.56	67.84
Travelling and conveyance	103.04	52.19
Commission on sales	-	43.81
Legal and professional fees (including auditor's remuneration - refer note below)	227.65	132.26
Recruitment expenses	50.14	22.33
Consumption of stores and spares	0.42	-
Reversal of corporate allocation charged to subsidiaries	-	243.04
Provision for impairment allowance of non-current financial assets (net)	180.00	-
Provision for impairment allowance of financial assets (net)	58.31	-
Provision for impairment allowance of non-financial assets (net)	120.00	-
Management fees	178.75	78.52
Miscellaneous expenses	95.34	99.02
Exchange fluctuation loss (net)	8.17	-
Bad debts and balances written off	12.56	-
Expenses recovered from group companies	-	(12.87)
Total	**1,277.68**	**883.52**

Note: Payment to auditors

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
As auditor		
- Statutory audit fees	12.00	24.00
- Other	11.10	9.05
- Out of pocket expenses	0.27	1.17
Total	**23.37**	**34.22**

Note: Corporate Social Responsibility

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current period.

27 Loss per share

Accounting Policy

The Company presents the basic and diluted earnings/loss per share (EPS) for its equity shares. Basic EPS is computed by dividing the net profit/(loss) for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the loss for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Loss attributable to the equity shareholders of the Company	(441.10)	(1,400.32)
Weighted average number of equity shares of Rs 10/- each	415,337,543	267,365,081
Basic and Diluted loss per share	(0.11)	(0.52)

28 Contingent liabilities and commitments

Accounting Policy

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

a) Contingent liabilities

Particulars	March 31, 2025	March 31, 2024
Claims against the Company not acknowledged as debt*	-	265.00

*Claims against the Company not acknowledged as debt on account of ongoing arbitration/ legal dispute. Based on the legal opinion on the matter and management's assessments of the facts of the case, no provision is required to be made for the matter. Pending resolution of the matter, it is not practicable to estimate the timing of cash outflows, if any.

b) Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Nil (March 31, 2024 - Nil)

29 Leasing Arrangements

i) Where the Group is lessor

Accounting Policy

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease.

Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Company to the lessee. 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 so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

a) Amounts receivable under Finance lease -

The Company has entered into certain arrangements with its customers where the Company will supply electricity by installing solar power generating system at their customers' premises. The Company has determined, that fulfilment of these arrangements is dependent on the use of a specific asset and the arrangement conveys a right to use these specific asset to the customers. Accordingly, these arrangements qualify as arrangements in the form of lease as specified in Ind-AS 116. Based on the evaluation of terms and conditions of these arrangements, such as the contract term constituting a major part of the economic life of the specific assets, the fair value of the asset and that it has transferred the significant risks and rewards in these assets to the customers, these lease arrangements have been classified as finance leases.

Particulars	Gross Investment in lease		Present value of minimum lease payments	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Within one year	66.51	66.51	59.04	59.04
After one year but not more than five years	176.65	212.42	109.12	124.48
More than five years	235.78	266.54	59.30	62.90
	478.94	**545.47**	**227.46**	**246.42**
Less: Unearned finance income	251.48	299.05	-	-
Present value of minimum lease payments receivable	227.46	246.42	227.46	246.42
Allowance for uncollectible lease payments	-	-	-	-

Particulars	March 31, 2025	March 31, 2024
Current portion of finance lease receivables	66.51	59.04
Non-current portion of finance lease receivables	160.95	187.38

Particulars	March 31, 2025	March 31, 2024
Estimated unguaranteed residual value of assets under finance lease	-	-
Contingent rent recognised as income during the year	-	-
Interest rate inherent in the lease per annum	16.38% - 28.19%	16.38% - 28.19%

(b) Operating Lease

The Company has leased a solar power generating system. The tenure of lease agreement is 15 years.

Particulars	March 31, 2025	March 31, 2024
Lease received for the year	81.50	85.15

Particulars	March 31, 2025	March 31, 2024
Future minimum lease rental receivables under non-cancellable operating leases are as follows:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-

c) Company as lessee : Operating lease

Accounting Policy

The Company lease asset classes primarily consist of office buildings. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be paid under residual value guarantees. There are no variable lease payments.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The company has taken office building on leases for a tenure of 5 and has extension option for office building as per mutual consent. There are no variable lease payments and residual value guarantees for these leases.

Extension and termination options are included . These are used to maximise operational flexibility in terms of managing the assets used in the company's operations.

Carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2025	March 31, 2024
At the beginning of the year	298.21	378.40
Additions	-	-
Accretion of interest	21.77	29.57
Payments made	(115.24)	(109.76)
Total	**204.74**	**298.21**
Current portion	124.62	110.36
Non-current portion	80.12	187.85
Total	**204.74**	**298.21**

Details of amounts recognised in Standalone Statement of Profit and Loss

Particulars	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use assets	95.10	23.23
Interest expense on lease liabilities	21.77	29.57
Expense relating to leases of low-value assets (included in other expenses)	9.36	-
Total amount recognised in Standalone Statement of Profit and Loss	**126.23**	**52.80**

Refer note 34 (III) for maturities of lease liabilities.

30. Disclosure required under Section 186(4) of Companies Act, 2013

a) Loans and advance to related parties includes loan given to a subsidiary. The particulars of which are disclosed below as required by Sec 186(4) of Companies Act 2013

Name of the entity	Rate of interest	Place of business/ Country of incorporation	Ownership interest	
			March 31, 2025	March 31, 2024
First Energy TN1 Private Limited	8.15% - 8.95% (March 31, 2024 - 8.15% - 8.60%)	The loan shall be repaid within a period of 180 days (March 31, 2024 - Loan shall be repaid within a period of 180 days)	3,119.00	879.00
First Energy 2 Private Limited	8.00% - 8.60% (March 31, 2024 - 8.00% - 8.60%)"	The loan shall be repaid within a period of 2 years (March 31, 2024 - Loan shall be repaid within a period of 3 years)	235.00	235.00
First Energy 3 Private Limited	8.15% to 8.95% (March 31, 2024 - 8.15% - 8.60%)	The loan shall be repaid within a period of 2 years (March 31, 2024 -Loan shall be repaid within a period of 3 years)	1,023.11	836.34
First Energy 4 Private Limited	8.15% - 8.95% (March 31, 2024 - 8.15%)	The loan shall be repaid within a period of 180 days (March 31, 2024 - Loan shall be repaid within a period of 1 year)	988.00	170.00
First Energy 5 Private Limited	8.15% - 8.65% (March 31, 2024 - 8.15%)	The loan shall be repaid within a period of 180 days (March 31, 2024 - Loan shall be repaid within a period of 1 year)	1,601.85	14,769.41
First Energy 6 Private Limited	8.15% - 8.95% (March 31, 2024 - 8.15%)	The loan shall be repaid within a period of 180 days (March 31, 2024 - Loan shall be repaid within a period of 1 year)	1,297.22	823.00
First Energy 7 Private Limited	8.15% - 8.95% (March 31, 2024 - 8.15%)	The loan shall be repaid within a period of 180 days (March 31, 2024 - Loan shall be repaid within a period of 180 days)	30.15	859.00
First Energy 8 Private Limited	8.15% - 8.95%	The loan shall be repaid within a period of 180 days	24,735.16	-
First Energy 9 Private Limited	8.15% - 8.95%	The loan shall be repaid within a period of 180 days	917.00	-
First Energy 10 Private Limited	8.15% - 8.95%	The loan shall be repaid within a period of 1 year	12.00	-
Jalansar Wind Energies Private Limited	8.45% (March 31, 2024 - 8.45%)	The loan shall be repaid within a period of 180 days (March 31, 2024 - Loan shall be repaid within a period of 1 year)	20.00	20.00
Kanakal Wind Energies Private Limited	8.15% - 8.45% (March 31, 2024 - 8.15%)	The loan shall be repaid within a period of 180 days (March 31, 2024 - Loan shall be repaid within a period of 180 days)	8.00	8.00

Note:

Refer Note 5(a) for full particulars of investments made and security given by the Company.

First Energy Private Limited

Notes to the standalone financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

b) Disclosure of loans given to/ investment made in subsidiary company from the funds received from funding party.

For March 31, 2025:

Name of the funding party	Amount received from funding party	Date of funding	Nature of transactions	Name of the beneficiary	Amount invested in/ loan to the beneficiary	Date of further investment into beneficiary	Nature of transactions
Thermax Limited	330.00	June 10, 2024	Equity	First Energy Nine Private Limited	330.00	June 10, 2024	Equity
	3.00	June 13, 2024		First Energy Nine Private Limited	3.00	June 14, 2024	
	1,200.00	May 14, 2024		First Energy 8 Private Limited	1,200.00	May 14, 2024	
	999.00	March 7, 2025		First Energy 10 Private Limited	999.00	March 7, 2025	
	25.00	April 2, 2024	Loan	First Energy TN1 Private Limited	25.00	April 3, 2024	Loan
	260.00	April 8, 2024		First Energy 5 Private Limited	260.00	April 8, 2024	
	269.00	April 10, 2024		First Energy 7 Private Limited	269.00	April 10, 2024	
	251.00	April 15, 2024		First Energy Nine Private Limited	110.00	April 15, 2024	
				First Energy TN1 Private Limited	141.00	April 15, 2024	
	246.00	April 18, 2024		First Energy 7 Private Limited	246.00	April 18, 2024	
	500.00	April 24, 2024		First Energy 7 Private Limited	500.00	April 24, 2024	
	437.00	April 25, 2024		First Energy 7 Private Limited	437.00	April 25, 2024	
	180.00	May 10, 2024		First Energy 7 Private Limited	180.00	May 10, 2024	
	6,000.00	June 5, 2024		First Energy 8 Private Limited	6,000.00	June 5, 2024	
	1,730.00	June 18, 2024		First Energy 3 Private Limited	1,730.00	June 18, 2024	
	3,215.00	June 25, 2024		First Energy 8 Private Limited	3,215.00	June 25, 2024	
	4,822.00	July 3, 2024		First Energy 8 Private Limited	4,822.00	July 3, 2024	
	3,415.00	July 16, 2024		First Energy 8 Private Limited	3,415.00	July 16, 2024	
	249.00	July 29, 2024		First Energy 8 Private Limited	249.00	July 30, 2024	
	160.00	August 6, 2024		First Energy TN1 Private Limited	160.00	August 6, 2024	
	150.00	August 7, 2024		First Energy Nine Private Limited	150.00	August 7, 2024	
	110.00	August 13, 2024		First Energy TN1 Private Limited	110.00	August 13, 2024	
	1,607.00	September 5, 2024		First Energy 8 Private Limited	1,487.00	September 5, 2024	
				First Energy 8 Private Limited	120.00	September 6, 2024	
	50.00	September 25, 2024		First Energy Nine Private Limited	50.00	September 25, 2024	
	4,341.00	September 26, 2024		First Energy 8 Private Limited	4,341.00	September 26, 2024	
	100.00	October 1, 2024		First Energy TN1 Private Limited	100.00	October 1, 2024	
	260.00	October 9, 2024		First Energy 6 Private Limited	260.00	October 8, 2024	
	100.00	October 16, 2024		First Energy Nine Private Limited	100.00	October 16, 2024	
	100.00	October 21, 2024		First Energy 8 Private Limited	100.00	October 21, 2024	
	930.00	October 29, 2024		First Energy 4 Private Limited	480.00	October 29, 2024	
				First Energy TN1 Private Limited	450.00	October 29, 2024	
	300.00	October 30, 2024		First Energy 6 Private Limited	300.00	October 30, 2024	
	190.00	November 7, 2024		First Energy 8 Private Limited	140.00	November 8, 2024	
	-			First Energy Nine Private Limited	50.00	November 8, 2024	
	200.00	November 15, 2024		First Energy 8 Private Limited	200.00	November 15, 2024	
	318.00	November 18, 2024		First Energy Nine Private Limited	318.00	November 18, 2024	
	419.50	November 22, 2024		First Energy 3 Private Limited	383.50	November 22, 2024	
				First Energy 4 Private Limited	36.00	November 22, 2024	
	100.00	November 28, 2024		First Energy 5 Private Limited	100.00	November 28, 2024	
	11.00	December 11, 2024		First Energy 10 Private Limited	11.00	December 11, 2024	
	80.00	December 16, 2024		First Energy Nine Private Limited	40.00	December 16, 2024	
				First Energy 3 Private Limited	40.00	December 16, 2024	
	450.00	December 20, 2024		First Energy 8 Private Limited	450.00	December 20, 2024	
	140.00	December 23, 2024		First Energy 4 Private Limited	70.00	December 23, 2024	
				First Energy 6 Private Limited	70.00	December 23, 2024	
	902.00	December 30, 2024		First Energy TN1 Private Limited	36.00	December 30, 2024	
				First Energy 4 Private Limited	50.00	December 30, 2024	
				First Energy 5 Private Limited	376.00	December 30, 2024	
				First Energy 8 Private Limited	440.00	December 30, 2024	
	925.00	January 29, 2025		First Energy 5 Private Limited	300.00	January 30, 2025	
				First Energy 4 Private Limited	50.00	January 30, 2025	
				First Energy 8 Private Limited	500.00	January 30, 2025	
				First Energy 6 Private Limited	75.00	January 30, 2025	

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Name of the funding party	Amount received from funding party	Date of funding	Nature of transactions	Name of the beneficiary	Amount invested in/ loan to the beneficiary	Date of further investment into beneficiary	Nature of transactions
	428.00	February 10, 2025		First Energy 8 Private Limited	200.00	February 10, 2025	
				First Energy 6 Private Limited	200.00	February 10, 2025	
				First Energy Nine Private Limited	28.00	February 10, 2025	
	120.00	February 12, 2025		First Energy 8 Private Limited	120.00	February 13, 2025	
	962.00	February 19, 2025		First Energy 6 Private Limited	55.00	February 19, 2025	
				First Energy 8 Private Limited	800.00	February 19, 2025	
				First Energy 4 Private Limited	107.00	February 19, 2025	
	800.00	February 25, 2025		First Energy 5 Private Limited	800.00	February 25, 2025	
	145.00	March 27, 2025		First Energy 4 Private Limited	25.00	March 27, 2025	
				First Energy TN1 Private Limited	20.00	March 27, 2025	
				First Energy 6 Private Limited	100.00	March 28, 2025	

Disclosure of loans given to/ investment made in subsidiary company from the funds received from funding party.

For March 31, 2024:

Name of the funding party	Amount received from funding party	Date of funding	Nature of transactions	Name of the beneficiary	Amount invested in/ loan to the beneficiary	Date of further investment into beneficiary	Nature of transactions
Thermax Limited	2,000.00	April 29, 2023	Equity	First Energy 4 Private Limited	2,000.00	April 30, 2023	Equity
	3,071.00	May 23, 2023		First Energy 4 Private Limited	3,071.00	May 24, 2023	
	6,950.00	June 1, 2023		First Energy 5 Private Limited	6,950.00	June 1, 2023	
	1,650.00	June 2, 2023		First Energy 6 Private Limited	1,650.00	June 6, 2023	
	60.00	August 29, 2023		First Energy 5 Private Limited	60.00	August 29, 2023	
	150.00	August 29, 2023		First Energy 6 Private Limited	150.00	August 29, 2023	
	1,500.00	November 23, 2023		First Energy 6 Private Limited	1,500.00	November 24, 2023	
	1,338.00	January 11, 2024		First Energy 7 Private Limited	1,338.00	January 12, 2024	
	6,535.00	January 30, 2024		First Energy 8 Private Limited	6,535.00	February 2, 2024	
	143.00	September 21, 2023		First Energy 3 Private Limited	143.00	September 21, 2023	Loan
	343.00	February 15, 2023	Loan	First Energy 6 Private Limited	343.00	April 5, 2023	Loan
	60.00	February 15, 2023		First Energy 5 Private Limited	277.00	April 6, 2023	
	95.00	March 14, 2023					
	122.00	March 29, 2023					
	150.00	March 29, 2023		First Energy 5 Private Limited	150.00	April 26, 2023	
	550.00	July 3, 2023		First Energy 4 Private Limited	550.00	July 3, 2023	
	1,100.00	July 5, 2023		First Energy 4 Private Limited	1,100.00	July 5, 2023	
	2,700.00	July 11, 2023		First Energy 4 Private Limited	2,700.00	July 11, 2023	
	3,870.00	July 11, 2023		First Energy 4 Private Limited	3,870.00	July 11, 2023	
	1,550.00	July 27, 2023		First Energy 4 Private Limited	1,550.00	August 1, 2023	
	1,050.00	August 7, 2023		First Energy 4 Private Limited	1,050.00	August 7, 2023	
	500.00	August 10, 2023		First Energy 4 Private Limited	500.00	August 11, 2023	
	20.00	September 4, 2023		First Energy 4 Private Limited	20.00	September 5, 2023	
	1,850.00	August 11, 2023		First Energy 4 Private Limited	1,850.00	August 11, 2023	
	450.00	August 29, 2023		First Energy 6 Private Limited	450.00	August 29, 2023	
	1,430.00	September 5, 2023		First Energy 6 Private Limited	1,430.00	September 5, 2023	
	1,720.00	September 11, 2023		First Energy 6 Private Limited	1,720.00	September 11, 2023	
	7,414.00	September 13, 2023		First Energy 6 Private Limited	1,174.00	September 14, 2023	
				First Energy 5 Private Limited	6,240.00	September 14, 2023	
	250.00	September 21, 2023		First Energy 3 Private Limited	250.00	September 21, 2023	
	100.00	September 28, 2023		First Energy 2 Private Limited	100.00	September 28, 2023	
	350.00	October 4, 2023		First Energy 6 Private Limited	350.00	October 4, 2023	
	150.00	October 9, 2023		First Energy 6 Private Limited	150.00	October 9, 2023	
	650.00	October 11, 2023		First Energy 6 Private Limited	650.00	October 11, 2023	
	3,940.00	October 3, 2023		First Energy 5 Private Limited	1,720.00	October 4, 2023	
				First Energy 6 Private Limited	2,220.00	October 4, 2023	
	40.00	October 30, 2023		First Energy 4 Private Limited	40.00	October 30, 2023	
	584.00	November 6, 2023		First Energy 6 Private Limited	584.00	November 6, 2023	
	800.00	November 15, 2023		First Energy 5 Private Limited	800.00	November 15, 2023	
	1,435.00	November 23, 2023		First Energy 7 Private Limited	858.00	November 23, 2023	
				First Energy TN1 Private Limited	577.00	November 24, 2023	

First Energy Private Limited

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Name of the funding party	Amount received from funding party	Date of funding	Nature of transactions	Name of the beneficiary	Amount invested in/ loan to the beneficiary	Date of further investment into beneficiary	Nature of transactions
	77.00	November 23, 2023		First Energy TN1 Private Limited	77.00	November 24, 2023	
	100.00	December 13, 2023		First Energy 5 Private Limited	100.00	December 13, 2023	
	875.00	December 21, 2023		First Energy 5 Private Limited	875.00	December 21, 2023	
	525.00	December 26, 2023		First Energy 5 Private Limited	525.00	December 26, 2023	
	350.00	December 28, 2023		First Energy 5 Private Limited	350.00	December 28, 2023	
	130.00	January 29, 2024		First Energy 4 Private Limited	130.00	January 29, 2024	
	210.00	February 6, 2024		First Energy TN1 Private Limited	210.00	February 7, 2024	
	462.00	February 8, 2024		First Energy 5 Private Limited	262.00	February 8, 2024	
				First Energy 6 Private Limited	200.00	February 8, 2024	
	1,300.00	March 1, 2024		First Energy 5 Private Limited	1,300.00	March 1, 2024	
	1,480.00	March 5, 2024		First Energy 5 Private Limited	1,480.00	March 5, 2024	
	1,470.00	March 12, 2024		First Energy 5 Private Limited	1,470.00	March 12, 2024	
	435.00	March 19, 2024		First Energy 5 Private Limited	435.00	March 19, 2024	
	310.00	March 19, 2024		First Energy 6 Private Limited	310.00	March 19, 2024	
	435.00	March 21, 2024		First Energy 5 Private Limited	435.00	March 21, 2024	
	1,740.00	March 28, 2024		First Energy 5 Private Limited	1,740.00	March 28, 2024	

31 Related party disclosures

A Ultimate Holding Compan

Sr No.	Name of the entity	Place of business/ Country of incorporation
1	RDA Holdings Private Limited	India

B Holding Company

Sr No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Limited	India

C Subsidiaries

Unless otherwise stated, the subsidiaries have share capital consisting solely of equity shares that are held directly or indirectly by the Company, and the proportion of ownership interests held equals the voting rights held by the Company. The country of incorporation or registration is also their principal place of business.

Sr. No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest	
			March 31, 2025	March 31, 2024
1	First Energy TN 1 Private Limited (incorporated on January 29, 2022)*	India	100.00%	100.00%
2	First Energy 2 Private Limited (incorporated on March 30, 2022)*	India	100.00%	100.00%
3	First Energy 3 Private Limited (incorporated on May 05, 2022)*	India	100.00%	100.00%
4	First Energy 4 Private Limited (incorporated on December 07, 2022)*	India	100.00%	100.00%
5	First Energy 5 Private Limited (incorporated on December 13, 2022)*	India	100.00%	100.00%
6	First Energy 6 Private Limited (incorporated on March 23, 2023)*	India	100.00%	100.00%
7	First Energy 7 Private Limited (incorporated on March 26, 2023)**	India	100.00%	100.00%
8	First Energy 8 Private Limited (incorporated on August 10, 2023)	India	100.00%	100.00%
9	First Energy Nine Private Limited (incorporated on February 01, 2024)#	India	100.00%	100.00%
10	First Energy 10 Private Limited (incorporated on March 23, 2024)	India	100.00%	100.00%
11	First Energy 11 Private Limited (incorporated on July 29, 2024)	India	100.00%	Not applicable
12	Jalansar Wind Energy Private Limited (w.e.f. June 22, 2022)*	India	100.00%	100.00%
13	Kanakal Wind Energy Private Limited (w.e.f. June 22, 2022)*	India	100.00%	100.00%

*Includes 26% shares held by non-controlling shareholders for which Non-controlling shareholders have not been recognised as the Company has assessed that there is no risk reward relationship attributable to them.

**Includes 29% shares held by non-controlling shareholders for which Non-controlling shareholders have not been recognised as the Company has assessed that there is no risk reward relationship attributable to them.

Includes 30% shares held by non-controlling shareholders for which Non-controlling interests have not been recognised as the Company has assessed that there is no risk reward relationship attributable to them.

D Companies under common control (with whom there have been transactions during the year)

1 Thermax Onsite Energy Solutions Limited

2 Thermax Babcock & Wilcox Energy Solutions Private Limited

E Key Management Personnel:

1 Mr. Ashish Bhandari - Director

2 Mr. Rajendran Arunachalam - Director

3 Mr. Hemant Mohgaonkar - Director (till November 27, 2024)

4 Ms. Meher Pheroz Pudumjee- Director

Notes to the standalone financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

5 Mr. Arun Unni - Director (w.e.f. November 27, 2024)
6 Mr. Ravi Damaraju - Chief Executive Officer
7 Mr. Mitish Somani - Chief Financial Officer (till April 5, 2024)
8 Mr. Sumit Rathi - Chief Financial Officer (w.e.f. May 6, 2024)
9 Ms. Sampada Sakhare - Company Secretary (till February 7, 2025)
10 Mr. Pranav Pimpale - Company Secretary (w.e.f April 30, 2025)

F Transactions with Related parties:

	Immediate Holding Company		Others		Companies under common control		Key Management Personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Share subscribed	1,533.00	25,058.00	-	-	-	-	-	-	**1,533.00**	**25,058.00**
Share application money received	1,000.00	-	-	-	-	-	-	-	**1,000.00**	**-**
Investments in subsidiaries	-	-	2,534.00	23,257.50	-	-	-	-	**2,534.00**	**23,257.50**
Borrowings availed	38,006.83	55,202.00	-	-	-	-	-	-	**38,006.83**	**55,202.00**
Loans given	-	-	40,898.30	44,800.58	-	-	-	-	**40,898.30**	**44,800.58**
Borrowings repaid (Outward)	51,129.53	53,555.09	-	-	-	-	-	-	**51,129.53**	**53,555.09**
Loan repayment received	-	-	25,511.56	42,330.51	-	-	-	-	**25,511.56**	**42,330.51**
Reimbursement of expenses received	-	-	90.64	1,510.47	-	6.98	-	-	**90.64**	**1,517.45**
Reimbursement of expenses paid	246.73	164.05	-	-	-	2.07	-	-	**246.73**	**166.12**
Corporate overhead allocation	-	-	-	151.65	-	-	-	-	**-**	**151.65**
Reversal of corporate overhead allocation	-	-	-	243.04	-	-	-	-	**-**	**243.04**
Interest expense on intercorporate loan	1,861.14	1,598.27	-	-	-	-	-	-	**1,861.14**	**1,598.27**
Interest Income	-	-	1,825.00	1,608.49	-	-	-	-	**1,825.00**	**1,608.49**
Revenue from services	-	-	1,614.71	-	-	-	-	-	**1,614.71**	**-**
Revenue from projects	88.62	148.44	1,685.20	-	4.55	0.33	-	-	**1,778.37**	**148.77**
Sales commission paid	-	43.81	-	-	-	-	-	-	**-**	**43.81**
Remuneration to key management personnel*	-	-	-	-	-	-	42.06	505.03	**42.06**	**505.03**

* Does not include provision made for gratuity and leave encashment since the same is calculated for all employee of the company as a whole.

Related party transactions of sale of products and services, loan given and loan repaid includes transactions pertaining to the following subsidiaries with whom the transactions are considered to be individually significant (percentage of the transactions being 10% or more of the total of transactions given in note 'F' above):

Particulars	March 31, 2025	March 31, 2024
Revenue from services		
First Energy TN 1 Private Limited	14.82	-
First Energy 5 Private Limited	472.88	-
First Energy 8 Private Limited	676.27	-
Revenue from projects		
First Energy TN 1 Private Limited	1,685.20	-
Loans given		
First Energy 4 Private Limited	818.00	13,360.00
First Energy 5 Private Limited	3,611.85	18,719.20
First Energy 6 Private Limited	1,144.50	9,867.04
First Energy 8 Private Limited	28,056.45	-
Loan repayment received		
First Energy 4 Private Limited	-	25,547.50
First Energy 5 Private Limited	16,779.41	6,559.79
First Energy 6 Private Limited	670.28	10,116.22
First Energy 7 Private Limited	2,460.85	-
First Energy 8 Private Limited	3,320.00	-

First Energy Private Limited

Notes to the standalone financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

G Balances as at the year end

	Holding Company		Subsidiaries		Entities Controlled by Holding Company		Key Management Personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Loans	-	-	33,986.50	18,599.75	-	-	-	-	**33,986.50**	**18,599.75**
Trade receivable	13.26	19.79	1,091.62	-	1.26	8.23	-	-	**1,106.13**	**28.02**
Trade payables	646.25	426.31	-	-	-	2.45	-	-	**646.25**	**428.75**
Borrowings	5,829.40	18,952.10	-	-	-	-	-	-	**5,829.40**	**18,952.10**
Unbilled revenue	12.66	-	116.36	-	-	-	-	-	**129.02**	**-**
Other Receivables	-	-	101.45	576.28	-	-	-	-	**101.45**	**576.28**
Interest Accrued Receivable	-	-	257.62	405.24	-	-	-	-	**257.62**	**405.24**
Advance Given	-	11.26	-	-	-	-	-	-	**-**	**11.26**
Advance taken	-	1.61	-	-	-	2.25	-	-	**-**	**3.86**
Interest Accrued	286.08	363.22	-	-	-	-	-	-	**286.08**	**363.22**
Salary Payable	-	-	-	-	-	-	-	5.53	**-**	**5.53**
Provision for long term incentive*	-	-	-	-	-	-	212.39	444.41	**212.39**	**444.41**

* Does not include gratuity and leave encashment since the same is calculated for all employee of the company as a whole.

Terms and conditions for outstanding balances

1 All outstanding balances are unsecured and interest free except for borrowings, and payable in cash. For details of interest on borrowings and loans, refer note 15.

2 Key Management Personnel Compensation

Particulars	As at March 31, 2025	As at March 31, 2024
Short term employment benefits	273.98	248.62
Long-term employee benefits	(231.92)	134.87

32 Segment information

In accordance with paragraph 4 of Ind - AS 108 "Operating Segments", the Company has disclosed segment information only in the consolidated financial statements.

33. I. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	March 31, 2025	March 31, 2024
Borrowings	35,329.40	18,952.10
Trade payable	1,073.75	979.32
Other liabilities	554.31	571.64
Total	**36,957.46**	**20,503.06**
Current liabilities	34,988.00	19,926.06
Non-current liabilities	1,969.46	577.00
Total	**36,957.46**	**20,503.06**

Break-up of financial assets carried at amortised cost

Particulars	March 31, 2025	March 31, 2024
Trade receivables	1,164.72	1,004.49
Loans	33,986.50	18,599.75
Finance lease receivable	227.46	246.42
Other financial assets	471.21	1,050.15
Cash and cash equivalents	827.65	630.32
Bank balances other than cash and cash equivalents	-	0.97
Total	**36,677.54**	**21,532.10**
Current assets	36,327.32	20,149.62
Non-current assets	350.22	1,382.48
Total	**36,677.54**	**21,532.10**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	March 31, 2025	March 31, 2024
Financial assets		
Investments		
Mutual funds	101.04	1.04
Total financial assets (Current)	**101.04**	**1.04**

Investment from subsidiaries is excluded since it is accounted as per cost model as prescribed under para 10 of IND AS 27 Separate Financial Statements.

II. Fair value hierarchy

Accounting Policy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2025	-	101.04	-

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2024	-	1.04	-

Level I: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Notes to the standalone financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of NAV based on report issued by mutual fund house.

34 Financial risk management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables, and cash and cash equivalents. The Company also holds investments measured at fair value through profit and loss.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the years ended March 31, 2025 and March 31, 2024. The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk. The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a Interest rate risk

Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. Change in interest rate is not expected to have any material impact on the Company's loss before tax as the Company does not have variable rate borrowing.

b Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD.

Foreign exchange risk is managed on the basis of limits determined by management and a continuous assessment of current and expected exchange rate movements. The exposure to other foreign currencies is not significant to the Company's financial statements.

c Price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Company manages the price risk through placing limits on individual and total equity/mutual fund instruments. Reports on the investment portfolio are submitted to the management on a regular basis. The Company is not currently exposed significantly to such risk.

II 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, lease receivable and contract assets) and from its investing activities including deposits with banks, loans to subsidiaries and other financial instruments.

Trade receivables and contract assets

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. For details of charge of Impairment of trade receivables and unbilled revenue refer note 8 and 26.

Expected credit loss for trade receivables under simplified approach

Trade receivables	As at March 31, 2025		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	-	0%	-
Outstanding for following periods from the due date			
Not due	8.93	0%	-
Less than 6 months	1,109.52	0%	-
More than 6 months	104.58	56%	58.31
Total	**1,223.03**		**58.31**

Trade receivables	As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance
Unbilled			
Outstanding for following periods from the due date			
Not due	481.54	0%	-
Less than 6 months	453.23	0%	-
More than 6 months	69.72	0%	-
Total	**1004.49**		**-**

Expected credit loss for contract assets under simplified approach

Contract assets	As at March 31, 2025			As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance	Gross	Expected loss rate	Expected loss allowance
Not due	155.57	0%	-	105.72	0%	-
Less than 6 months	-	0%	-	-	0%	-
6 months - 1 year	-	0%	-	-	0%	-
Total	**155.57**		**-**	**105.72**		**-**

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits and lease receivable which is considered to be low risk. No loss allowance is required to be recognised for the same.

Loans to subsidiaries

Credit risk relating to loan to subsidiaries is managed by the Company's finance department. In calculating expected credit loss, the Company considers historic loss data of borrower and adjusts for forward-looking macroeconomic data. Basis the assessment performed, there is no charge of impairment to Standalone Statement of Profit and Loss.

Balances with Banks

Credit risk from balances with banks is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

As at March 31, 2025	On demand	<1 year	1 to 3 years	> 3 years
Non- derivative				
Borrowings	411.62	32,974.78	1,943.00	-
Lease Liabilities	-	121.01	94.11	-
Trade Payables	-	1,073.75	-	-
Other payables	-	527.85	26.46	-

As at March 31, 2024	On demand	<1 year	1 to 3 years	> 3 years
Non- derivative				
Borrowings	411.62	17,963.48	577.00	-
Lease Liabilities	-	115.24	215.12	-
Trade Payables	-	979.32	-	-
Other payables	-	571.64	-	-

35 Analytical ratios

Sr. No.	Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current assets	Current liabilities	1.04	0.97	6%	Not applicable
2	Debt-Equity Ratio	Total debt	Shareholder's equity	0.98	0.56	75%	Decrease due to significant increase in debt during the year
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of fixed assets etc.)	Debt service (Interest & Lease payments + Principal repayments)	0.03	0.01	417%	Due to increase in earnings available for debt service
4	Return on Equity Ratio	Net profits after taxes before exceptional items	Average shareholder's equity	(0.01)	(0.06)	-80%	Due to significant decrease in loss for the year
5	Inventory Turnover Ratio	Sale of goods	Average inventory	Not applicable	Not applicable	Not applicable	No inventory at the end of the year
6	Trade Receivables Turnover Ratio	Total sales	Average trade receivable	4.48	4.99	-10%	Not applicable
7	Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	3.47	5.49	-37%	Due to increase in average payable days
8	Net Capital Turnover Ratio	Total sales	Average working capital	13.74	(5.62)	-344%	Due to increase in net working capital
9	Net Profit Ratio	Total net profit (before tax)	Total sales	-8.98%	-44.18%	-80%	Due to significant decrease in losses
10	Return on Capital Employed	Earning before interest and taxes	Capital employed	2.0%	0.44%	361%	Due to significant increase in earning before interest and taxes
11	Return on Investment	Investment income	Average investment	6.9%	9.0%	-24%	Due to increase in average investment

Working Capital = Current assets less Current liabilities
Capital employed = Tangible Net worth + total debt
Average = ((Opening + Closing) / 2))

Notes to the standalone financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

36. Capital management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the years ended March 31, 2025 and March 31, 2024. Capital represents equity attributable to equity holders of the Company.

Particulars	March 31, 2025	March 31, 2024
Borrowings including accrued interest	(35,615.48)	(19,315.32)
Lease liabilities	(204.74)	(298.21)
Less: Cash and cash equivalents (includes other bank balances)	827.65	631.29
Net Debt	**(34,992.57)**	**(18,982.24)**
Equity	35,961.70	33,846.96
Net Debt to Equity	**(0.97)**	**(0.56)**

* Variation majorly on account of significant increase in debt and reduction in equity on account of losses during the year.

37. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

(iv) There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

38. Utilisation of borrowed funds and share premium

The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

i. 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

ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

The Company has not received any funds except as mentioned in note 30, from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

i. directly or indirectly lend or invest in other person(s) or entity(ies) identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

39. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with the regulations."

40. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

41. The Company has entered into a Share Purchase Agreement (SPA) with the former owners of Onix Two Enersol Private Limited (OTEPL) on September 6, 2024, to acquire 100% of OTEPL's shares for INR 1 lakh. The agreement specified certain precedent conditions that were to be fulfilled by October 5, 2024. These conditions remained unfulfilled and a further extension of six months was granted. These conditions were not complied even in the extended period. Accordingly, the acquisition did not consummate and hence not considered as an investment in the standalone financial statements and disclosed in other financial assets. OTEPL did not have material transactions.

42. In the current year, the Company revisited the model for recharging direct cost incurred by the company to the subsidiaries and has charged EPC and EPC project management fees for under construction projects and management service fees for operational projects to the subsidiaries. EPC fees are charged as per the scope of the work agreed and EPC project management fees are charged as a percentage of total assets which will vary depending upon the scope of work and project value. Management service fees are charged as a percentage of Operating and Maintenance cost incurred by respective subsidiaries. Refer note 31 for details of revenue charged to subsidiaries.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

First Energy Private Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy Private Ltd

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the accompanying consolidated financial statements of First Energy Private Limited (hereinafter referred to as the "Holding Company") and its subsidiaries (Holding Company and its subsidiaries together referred to as "the Group") (refer Note 31 to the attached consolidated financial statements), which comprise the consolidated Balance Sheet as at March 31, 2025, and the consolidated Statement of Profit and Loss (including Other Comprehensive Income), the consolidated Statement of Changes in Equity and the consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated financial statements, including material accounting policy information and other explanatory information (hereinafter referred to as "the consolidated financial statements").

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2025, and consolidated total comprehensive income (comprising of loss and other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

   Our opinion on the consolidated 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 consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

5. The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows, and changes in equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

6. In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

7. The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

   - Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has adequate internal financial controls with reference to consolidated 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 ability of the Group 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 consolidated 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 Group to cease to continue as a going concern.
   - Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
   - Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors.

10. We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

11. 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

12. As required by paragraph 3(xxi) of the Companies (Auditor's Report) Order, 2020 ("CARO 2020"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we report that there are no qualifications or adverse remarks included in their CARO 2020 reports issued in respect of the standalone financial statements of the companies which are included in these Consolidated Financial Statements.

13. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

    (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements.

    (d) In our opinion, the aforesaid consolidated financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors of the Holding Company and subsidiaries as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and its subsidiaries incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Rules"

    (g) With respect to the adequacy of internal financial controls with reference to consolidated financial statements of the Group and the operating effectiveness of such controls, refer to our separate report in Annexure A.

    (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

        i. The consolidated financial statements disclose the impact, if any, of pending litigations on the consolidated financial position of the Group – Refer Note 29 to the consolidated financial statements.

        ii. The Group was not required to recognise a provision as at March 31, 2025 under the applicable law or accounting standards, as it does not have any material foreseeable losses on long-term contract. The Group did not have any derivative contracts as at March 31, 2025.

        iii. During the year ended March 31, 2025, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiaries incorporated in India.

        iv. (a) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in Note 43 to the consolidated financial statements, 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 Holding Company or any of such subsidiaries 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 Holding Company or any of such subsidiaries ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

            (b) The respective managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us that, to the best of their knowledge and belief, as disclosed in the Note 43 to the consolidated financial statements, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

            (c) Based on the audit procedures, that has been considered reasonable and appropriate in the circumstances, performed by us for companies incorporated in India whose financial statements have been audited under the Act, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) contain any material misstatement.

        v. The Holding Company and its subsidiaries have not declared or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Group has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes. Further, for accounting software other than the aforesaid database, we did not notice any instance of audit trail feature being tampered with, or not preserved as per the statutory requirements for record retention.

14. 14. The Group has paid managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP

Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846

UDIN: 25109846BMLWHD8351
Place : Pune
Date: May 7, 2025

First Energy Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy Private Limited on the consolidated financial statements as of and for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Consolidated Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of First Energy Private Limited (hereinafter referred to as "the Holding Company") and its subsidiaries, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

2. The respective Board of Directors of the Holding Company, and its subsidiaries, to whom reporting under clause (i) of sub section 3 of Section 143 of the Act in respect of the adequacy of the internal financial controls with reference to financial statements is applicable, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Holding Company and its subsidiaries, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN: 25109846BMLWHD8351
Place: Pune
Date: May 7, 2025

Consolidated Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Property, plant and equipment	4 (a)	127,013.11	77,406.29
Right-of-use assets	4 (b)	1,733.79	1,781.97
Capital work-in-progress	4 (a)	45,310.66	39,382.57
Intangible assets	5	10.12	30.12
Financial assets			
(i) Finance lease receivables	30	160.95	187.38
(ii) Other financial assets	6(a)	131.91	230.17
Income tax assets (net)	9(a)	281.95	232.90
Other non-current assets	7(a)	14,900.51	9,475.13
Total non-current assets		**189,543.00**	**128,726.53**
II. Current assets			
Financial assets			
(i) Investments	8	653.62	2,124.96
(ii) Trade receivables	10	1,370.64	2,022.59
(iii) Cash and cash equivalents	11(a)	4,187.55	2,830.25
(iv) Bank balance other than (iii) above	11(b)	183.06	498.40
(v) Finance lease receivables	30	66.51	59.04
(vi) Other financial assets	6(b)	1,712.74	985.30
Other current assets	7(b)	575.85	416.70
Total current assets		**8,749.97**	**8,937.24**
Total assets		**198,292.97**	**137,663.77**
Equity and liabilities			
I. Equity			
Equity share capital	12	41,931.64	40,398.64
Other equity	13	(5,710.74)	(2,641.19)
Total Equity		**36,220.90**	**37,757.45**
Liabilities			
II. Non-current liabilities			
Financial liabilities			
(i) Borrowings	14(a)	105,213.78	69,051.96
(ii) Lease liabilities	19(a)	976.20	1,043.41
(iii) Other financial liabilities	15(a)	3,335.34	3,046.96
Provisions	17(a)	417.12	832.11
Deferred tax liabilities (net)	9(b)	21.03	29.55
Other non-current liabilities	16(a)	124.55	77.82
Total non current liabilities		**110,088.02**	**74,081.81**
III. Current liabilities			
Financial liabilities			
(i) Borrowings	14(b)	45,445.67	19,846.01
(ii) Lease liabilities	19(b)	226.80	168.48
(iii) Trade payables	18		
a) total outstanding dues of micro enterprises and small enterprises		71.67	83.86
b) total outstanding dues of other than micro enterprises and small enterprises		1,220.30	1,284.28
(iv) Other financial liabilities	15(b)	3,825.87	2,638.75
Provisions	17(b)	114.52	108.56
Other current liabilities	16(b)	1,079.22	1,694.57
Total current liabilities		**51,984.05**	**25,824.51**
Total equity and liabilities		**198,292.97**	**137,663.77**
Summary of material accounting policies	2		
Summary of significant accounting estimates and judgements	3		

The above Consolidated Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

First Energy Private Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Income			
Revenue from operations	20	10,649.44	8,522.79
Other income	21	330.44	587.24
Total Income (I)		**10,979.88**	**9,110.03**
Expenses			
Cost of raw materials consumed	22	534.21	2,716.61
Purchase of stock-in-trade		200.02	-
Employee benefits expense	23	533.60	1,127.75
Finance costs	24	7,122.10	4,353.86
Depreciation, amortisation and impairment expense	25	4,188.26	2,472.46
Other expenses	26	2,583.46	1,713.94
Total expenses (II)		**15,161.65**	**12,384.62**
Loss before tax (III)		(4,181.77)	(3,274.59)
Income Tax expense	9(c)	**(8.52)**	**29.32**
Current tax		-	0.67
Deferred tax		(8.52)	28.65
Total tax expense (IV)		**(8.52)**	**29.32**
Loss for the year (V)=(III-IV)		**(4,173.25)**	**(3,303.91)**
Other comprehensive income			
Items that will not be reclassified to profit or loss		**22.85**	**(17.98)**
Re-measurement gains/(losses) on post employement benefir obligations	17(c)	22.85	(17.98)
Total other comprehensive income for the year		**22.85**	**(17.98)**
Total comprehensive income for the year		**(4,150.40)**	**(3,321.89)**
Loss per equity share			
Basic and Diluted [Nominal Value per share Rs.10/-]	28	(1.00)	(1.24)
Summary of material accounting policies	2		
Summary of significant accounting estimates and judgements	3		

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

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

Consolidated Statement of Cash Flows for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except stated otherwise)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows used in operating activities**		
	Loss before tax	(4,181.77)	(3,274.59)
	Adjustments to reconcile loss before tax to net cash flows		
	Depreciation, amortisation and impairment expense	4,188.26	2,472.46
	Interest income on bank deposits	(99.80)	(62.35)
	Net gain on current investments designated at FVPL	(104.11)	(42.15)
	Finance costs	7,122.10	4,353.86
	Provision for impairment allowance of financial assets (net)	297.42	-
	Bad debts written off	12.56	-
	Provisions no longer required written back	(75.42)	-
	Working capital adjustments		
	(Increase)/decrease in trade receivables	581.08	(1,707.01)
	(Increase) in other financial assets	(279.23)	(572.72)
	Decrease in finance lease receivables	18.96	14.68
	(Increase)/decrease in other assets	(148.04)	382.86
	Increase/(decrease) in trade payables	(0.75)	997.88
	Increase/(decrease) in provisions	(386.18)	403.33
	Increase in other financial liabilities	157.19	102.12
	Increase/(decrease) in other liabilities	(568.60)	721.86
	Cash flows generated from operations	**6,533.67**	**3,790.23**
	Income taxes paid (net of refunds received)	(49.05)	(167.07)
	Net cash inflow from operating activities	**6,484.62**	**3,623.16**
B)	**Cash flows used in investing activities**		
	Payments for Property, plant and equipment	(59,019.13)	(64,214.79)
	Payments for Intangible Assets	-	(8.53)
	Proceeds from sale of property, plant & equipment	14.79	127.42
	Initial direct cost pertaining to right-of-use assets and advance rent paid	(62.33)	(17.96)
	Investment in fixed deposit	(1,461.91)	(741.76)
	Redemption of fixed deposit	1,177.80	169.11
	Interest income received	110.19	69.43
	Payments for purchase of current investments	(8,114.29)	(6,309.48)
	Proceeds from sale of curent investments	9,689.74	4,264.51
	Net cash flows used in investing activities	**(57,665.14)**	**(66,662.05)**
C)	**Cash flows from financing activities**		
	Proceeds from issue of shares	1,533.00	25,058.00
	Share application money received pending allotment	1,000.00	-
	Proceeds from borrowings	143,169.25	91,130.50
	Repayment of borrowings	(81,390.32)	(61,932.13)
	Transaction cost on borrowings	(220.61)	(245.43)
	Interest paid [includes capitalised amount of Rs 4,865.70 (March 31, 2024 - Rs 2,277.08)]	(11,621.69)	(6,144.75)
	Transactions with non-controlling interests	144.04	5,974.88
	Principal element of lease payments	(49.52)	(47.95)
	Cost related to issue of own equity shares	(26.33)	(263.75)
	Net cash flows from financing activities	**52,537.82**	**53,529.37**
	Net increase/(decrease) in cash and cash equivalents	**1,357.30**	**(9,509.52)**
	Cash and cash equivalents at the beginning of the year	2,830.25	12,339.77
	Cash and cash equivalents at the end of the year	**4,187.55**	**2,830.25**

Reconciliation of cash and cash equivalents as per the statement of cash flows:

	March 31, 2025	March 31, 2024
Cash and cash equivalents (Note 11)	4,187.55	2,830.25
Balances as per statement of cash flows	**4,187.55**	**2,830.25**

Notes:
i) Consolidated Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.
ii) Refer Note 14(b) for Net debt reconciliation
The above Consolidated Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

First Energy Private Limited

Consolidated Statement of Changes in Equity for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital

	Note	March 31, 2025	March 31, 2024
Balance at the beginning of the year	12	40,398.64	15,340.64
Changes in equity shares capital during the year	12	1,533.00	25,058.00
Balance at the end of the year	**12**	**41,931.64**	**40,398.64**

B Other Equity

Particulars	Reserves & Surplus			Share Application Money	Equity component of Compound Financial Instruments	Total Equity
	Securities premium	Retained earnings	Total			
As at April 1, 2023	**941.45**	**(4,548.91)**	**(3,607.46)**	**-**	**246.72**	**(3,360.74)**
Loss for the year	-	(3,303.91)	(3,303.91)	-	-	(3,303.91)
Other comprehensive income for the year	-	(17.98)	(17.98)	-	-	(17.98)
Total Comprehensive Income for the year	**-**	**(3,321.89)**	**(3,321.89)**	**-**	**-**	**(3,321.89)**
Share application money received for allotment of shares	-	-	-	25,058.00	-	25,058.00
Shares allotted against the share application money received	-	-	-	(25,058.00)	-	(25,058.00)
Cost related to issue of own Equity Instruments	(4.94)	(258.81)	(263.75)	-	-	(263.75)
Transactions with Non-Controlling Shareholders	-	4,305.19	4,305.19	-	-	4,305.19
As at March 31, 2024	**936.51**	**(3,824.42)**	**(2,887.91)**	**-**	**246.72**	**(2,641.19)**
Loss for the year	-	(4,173.25)	(4,173.25)	-	-	(4,173.25)
Other comprehensive income for the year	-	22.85	22.85	-	-	22.85
Total Comprehensive Income for the year	**-**	**(4,150.40)**	**(4,150.40)**	**-**	**-**	**(4,150.40)**
Share application money received for allotment of shares	-	-	-	2,533.00	-	2,533.00
Shares allotted against the share application money received	-	-	-	(1,533.00)	-	(1,533.00)
Cost related to issue of own Equity Instruments	-	(26.33)	(26.33)	-	-	(26.33)
Transactions with Non-Controlling Shareholders	-	107.18	107.18	-	-	107.18
As at March 31, 2025	**936.51**	**(7,893.97)**	**(6,957.46)**	**1,000.00**	**246.72**	**(5,710.74)**

The above Consolidated Statement of Changes in Equity should be read in conjunction with the accompanying notes.

This is the Consolidated Statement of Changes in Equity referred in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy Private Limited (the "Holding Company" or the "Company") and its subsidiaries (together referred to as 'the Group') are primarily involved in power generation from renewable energy and Engineering, Procurement and Construction ("EPC") of solar power plants and other ancillary activities.

The Company is incorporated and domiciled in India. The address of its registered office is 14, Thermax House, Old Mumbai-Pune Highway, Wakdewadi Pune - 411003, India. The Board of Directors have authorized to issue these consolidated financial statements on April 30, 2025. The CIN of the Company is U40200PN2008FTC139032.

2 MATERIAL ACCOUNTING POLICIES

2.1. Basis of preparation and measurement

(a) Basis of preparation

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (the Act) (Ind AS compliant Sch III) as applicable to the consolidated financial statements. The preparation of the consolidated financial statements requires the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgment in the process of applying the Group's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed separately in note 3. The accounting policies adopted for preparation and presentation of these consolidated financial statements have been consistently applied.

(b) Basis of measurement

The consolidated financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

All assets and liabilities have been classified as current or non-current as per the Group's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

(c) Basis of consolidation

The consolidated financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments).

The consolidated financial statements comprise the financial statements of the Holding Company, its subsidiaries as at March 31, 2025. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee);
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns.

The Group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of an entity begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

Consolidation procedure

(a) Combine like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognized in the consolidated financial statements at the acquisition date;

(b) Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary.

(c) Eliminate in full, intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognized in assets, such as property, plant and equipment and capital work in progress are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 'Income Taxes' applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the parent of the Group. All intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

2.2 Summary of material accounting policies, critical accounting estimates and judgements

a. Current and non-current classification

The Group presents assets and liabilities in the balance sheet based on current/non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realized within twelve months after the reporting period; or
- Cash or cash 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 expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The terms of the liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification. The Group classifies all other liabilities as non-current.Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

b. Foreign currencies translation

The Group's consolidated financial statements are prepared in INR, which is also the functional currency of the Company. For each entity, the Group determines the functional currency and items included in the financial statements of each entity are measured using that functional currency.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Consolidated Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c. Fair value measurement

Accounting policy

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

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

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit and loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories by the Group:

(i) Debt instruments at amortized cost

A debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in income in the Consolidated Statement of profit and loss. The losses arising from impairment are recognized in the Consolidated Statement of profit and loss. There are no debt instruments carried at Fair value through other comprehensive income (FVOCI) or Fair value through profit or loss (FVTPL).

(ii) Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on acquisition of an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Group has transferred its 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 under a "pass-through" arrangement; and either (a) the Group has transferred substantially all the risks and rewards of the asset, or (b) the Group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

For trade receivables and contract assets, the Group follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Group applies general approach for recognition of impairment losses wherein the Group uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Group's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL

Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts in Rupees lakh, unless otherwise stated)

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Group's accounting policies, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Consolidated Financial Statements.

The areas involving critical estimates or judgements are:

a. Estimations used for fair value measurement (Refer note 34)

b. Estimations used for impairment of financial assets and liabilities (Refer note 2.2.d)

c. Estimates and assumptions related to useful lives and impairment of Property, Plant and Equipment and Intangibles (PPE) (Refer note 4 and 5)

d. Estimates and assumptions for deferred tax (Refer note 9(b))

e. Estimates and assumptions related to Provisions and employee benefit expenses (Refer note 17)

f. Estimates, judgments and assumptions used for revenue from operations (Refer note 20)

g. Estimates and judgements used for contingent liabilities and commitments (Refer note 29)

h. Judgments related to insurance claim (Refer note 21)

i. Judgements related to redemption liability (Refer note 15(a))

j. Judgements related to borrowing cost (Refer note 24)

4 (a)Property, plant and equipment

Accounting policy

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalized. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Statement of Profit and Loss during the financial year in which they are incurred. The carrying amount of the replaced part is derecognised. The carrying amount of an item of property, plant and equipment shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal.

The Group identifies and determines cost of each component/ part of the asset separately, if the component/part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

Freehold land is carried at historical cost. All other items of property, plant and equipment and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

The estimated useful life is supported by assessment. The following useful lives are adopted by the management:

Asset category	Group's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Buildings	3 to 30	3 to 30
Roads	3	3
Office equipment	5 to 15	5
Furniture and fixtures	10 to 15	10
Computers and data processing units	3 to 6	3 to 6

Estimates and Assumptions

The Group determines, based on independent technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impairment of Property, plant and equipment and other non-current assets

The Group assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Group estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of Profit or Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Group estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

Estimates and Assumptions

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding

sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget over useful life of assets as approved by the Management and do not include restructuring activities that the Group is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the terminal growth rate used.

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a DCF model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected demand, expected tariff rates for electricity, discount rate and electricity market scenario, based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would not lead to a material change to the amount of impairment.

Particulars	Freehold Land	Buildings	Plant and equipment	Roads	Office Equipment	Computer	Furniture and Fixtures	Total	Capital work in progress
Year ended March 31, 2024									
Gross carrying amount									
Opening	732.20	-	9,537.28	-	5.23	48.17	1.21	10,324.09	38,270.84
Additions	215.22	525.17	68,623.03	296.11	5.99	16.08	11.28	69,692.88	70,589.39
Disposals / Transfer	127.42	-	-		-	-	-	127.42	69,477.66
Closing gross carrying amount	**820.00**	**525.17**	**78,160.31**	**296.11**	**11.22**	**64.25**	**12.49**	**79,889.55**	**39,382.57**
Accumulated depreciation and impairment									
Opening accumulated depreciation / impairment	-	-	88.56	-	0.36	9.69	0.08	98.69	-
Depreciation charge during the year	-	35.78	2,280.81	53.04	0.89	13.35	0.71	2,384.58	-
Closing accumulated depreciation and impairment	**-**	**35.78**	**2,369.37**	**53.04**	**1.25**	**23.04**	**0.79**	**2,483.27**	**-**
Net carrying amount as on March 31, 2024	**820.00**	**489.39**	**75,790.94**	**243.07**	**9.97**	**41.22**	**11.70**	**77,406.29**	**39,382.57**
Year Ended March 31, 2025									
Gross carrying amount									
Opening gross carrying amount	820.00	525.17	78,160.31	296.11	11.22	64.25	12.49	79,889.55	39,382.57
Additions	373.33	279.61	52,713.54	300.90	11.80	35.58	8.31	53,723.07	59,277.83
Disposals / Transfer	-	-	14.79	-	-	-	-	14.79	53,349.74
Closing gross carrying amount	**1,193.33**	**804.78**	**130,859.06**	**597.01**	**23.02**	**99.83**	**20.80**	**133,597.83**	**45,310.66**
Accumulated depreciation and impairment									
Opening accumulated depreciation / impairment	-	35.78	2,369.37	53.04	1.25	23.04	0.79	2,483.27	-
Depreciation charge during the year	-	83.74	3,599.64	103.56	2.49	16.89	1.32	3,807.64	-
Impairment for the year (refer note 37)	-	-	293.81	-	-	-	-	293.81	
Closing accumulated depreciation and impairment	**-**	**119.52**	**6,262.82**	**156.60**	**3.74**	**39.93**	**2.11**	**6,584.72**	**-**
Net carrying amount as on March 31, 2025	**1,193.33**	**685.26**	**124,596.24**	**440.41**	**19.28**	**59.90**	**18.69**	**127,013.11**	**45,310.66**

Ageing of Capital work-in-progress (CWIP) :

CWIP		Amount in CWIP for a period of				
		Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
Project in progress	**March 31, 2025**	**42,156.66**	**3,154.00**	**-**	**-**	**45,310.66**
	March 31, 2024	39,382.57	-	-	-	39,382.57
Total Capital work-in-progress	**March 31, 2025**	**42,156.66**	**3,154.00**	**-**	**-**	**45,310.66**
	March 31, 2024	39,382.57	-	-	-	39,382.57

Capital work-in-progress includes overdue projects amounting to Rs 45,266.82 lakhs (Previous year : Rs 38,843.63 lakhs). These projects are expected to be completed and capitalised between April 2025 to October 2025.

Notes:

(i) See note 14(c) for information on property, plant and equipment pledged as security by the group.

(ii) See note 29 (B) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(iii) Capital work-in-progress mainly includes expenditure towards construction of new solar and wind renewable energy plants.

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts in Rupees lakh, unless otherwise stated)

4 (b) Right-of-use assets

Accounting policy

The Group recognises right-of-use assets ("ROU") at cost at the commencement date of the lease. The cost of ROU includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. After the commencement date, ROU assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated remaining useful lives of the assets, as follows:

- Leasehold Land - 1 to 29 years

- Buildings - 5 years

Particulars	Leasehold Land*	Building	Total
Year ended March 31, 2024			
Gross carrying amount			
Opening gross carrying amount	1,309.88	475.50	**1,785.38**
Additions*	272.61	-	**272.61**
Gross carrying amount as at March 31, 2024	**1,582.49**	**475.50**	**2057.99**
Accumulated depreciation			
Opening accumulated depreciation	17.90	118.88	**136.78**
Charge for the year	44.14	95.1	**139.24**
Closing accumulated depreciation	**62.04**	**213.98**	**276.02**
Net carrying amount as on March 31, 2024	**1,520.45**	**261.52**	**1,781.97**
Year ended March 31, 2025			
Gross carrying amount			
Opening gross carrying amount	1,582.49	475.50	**2,057.99**
Additions*	-	102.96	**102.96**
Gross carrying amount as at March 31, 2025	**1,582.49**	**578.46**	**2,160.95**
Accumulated depreciation			
Opening accumulated depreciation	62.04	213.98	**276.02**
Charge for the year	95.10	56.04	**151.14**
Closing accumulated depreciation	157.14	270.02	**427.16**
Net carrying amount as on March 31, 2025	**1,425.35**	**308.44**	**1,733.79**

*Includes initial direct costs incurred by the lessee amounting to Rs. 13.80 lakhs (March 31, 2024: Rs 17.96 lakhs) and Rs. 48.53 lakhs paid as advance rent for entire lease term.

4(c) Capitalization of expenses

During the year, the Group has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Group.

Particulars	As at March 31, 2025	As at March 31, 2024
Salaries and wages	1,076.08	928.63
Interest expenses	4,865.70	2,277.08
Depreciation	84.33	70.13
Other Expenses	223.24	21.15
Total	**6,249.35**	**3,296.99**

5 Intangible Assets

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Consolidated Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Consolidated Statement of Profit and Loss when the asset is derecognized.

The Group amortises intangible assets over the following periods:

- Software : 3 to 6 years, Others - 5 years

Particulars	Computer Software	Others	Total
Year ended March 31, 2024			
Gross carrying amount			
Gross carrying amount as at April 1, 2023	42.02	8.56	**50.58**
Additions	8.53	-	**8.53**
Disposals	-	-	**-**
Gross carrying amount as at March 31, 2024	**50.55**	**8.56**	**59.11**
Accumulated amortisation			
Opening accumulated amortisation	7.37	2.85	**10.22**
Amortisation charge for the year	15.92	2.85	**18.77**
Closing accumulated amortisation	**23.29**	**5.70**	**28.99**
Net carrying amount as on March 31, 2024	**27.26**	**2.86**	**30.12**
Year ended March 31, 2025			
Gross carrying amount			
Gross carrying amount as at March 31, 2024	50.55	8.56	**59.11**
Additions	-		**-**
Disposals	-	-	**-**
Gross carrying amount as at March 31, 2025	**50.55**	**8.56**	**59.11**
Accumulated amortisation			
Opening accumulated amortisation	23.29	5.70	**28.99**
Charge for the year	17.14	2.86	**20.00**
Disposals	-	-	**-**
Closing accumulated amortisation	**40.43**	**8.56**	**48.99**
Net carrying amount as on March 31, 2025	**10.12**	**-**	**10.12**

First Energy Private Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(All amounts in Rupees lakh, unless otherwise stated)

6(a) Other Non-current financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits :		
Unsecured, considered good	131.91	79.97
Bank deposits with maturity of more than 12 months	-	150.20
Total	**131.91**	**230.17**

6(b) Other Current financial assets

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits :	1,045.00	942.50
- Impairment Provision	(119.11)	-
	925.89	**942.50**
Other receivables	154.55	29.76
- Impairment Provision	(120.00)	
	34.55	**29.76**
Interest accrued on fixed deposits	2.65	13.04
Current maturities of deposit having original maturity of more than 12 months*	749.65	-
Total	**1,712.74**	**985.30**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against Borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to INR 655.35 lakhs.

7(a) Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	14,860.73	9,424.24
Prepaid expenses*	39.78	50.89
Total	**14,900.51**	**9,475.13**

*Rs 32.85 lakhs (March 31 2024 : Rs 38.23 lakhs) relates to cost to obtain the contract, which will be amortised to Statement of Profit and Loss on a systematic basis consistent with the transfer of the goods and services to the customer.

7(b) Other current assets

Accounting Policy

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Group performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to supplier :		
Unsecured, considered good	36.99	49.52
Advance to employees :		
Unsecured, considered good	2.00	1.07
Balances with government authorities	61.22	156.95
Unbilled revenue (Contract assets)	38.67	105.72
Prepaid expenses	431.33	103.44
Others	5.64	-
Total	**575.85**	**416.70**

8 Investments

Particulars	Number of units		Amount	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investments in Mutual Funds at Fair value through Profit and Loss	162,573	76,163	653.62	2,124.96
Total	**162,573.01**	**76,164.21**	**653.62**	**2,124.96**
Aggregate amount of unquoted investments			653.62	2,124.96
Refer note 34 for determination of their fair values.				

9(a) Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Income tax assets (net)	281.95	232.90
Total	**281.95**	**232.90**

9(b) Deferred tax liability (net)

Accounting Policy

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Group determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

Deferred tax liabilities are not recognised for temporary differences between the carrying amount and tax bases of investments in subsidiaries where the group is able to control the timing of the reversal of the temporary differences and it is probable that the differences will not reverse in the foreseeable future.

Estimates and Assumptions

At each balance sheet date, the Group assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

Notes to the consolidated financial statements for the year ended March 31, 2025

(All amounts in Rupees lakh, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
Provision for impairment allowance of financial assets	76.99	-
Employee benefit expenses	53.26	28.74
Losses available for offsetting against future taxable income	10,103.31	5,111.52
Lease Liabilities	240.33	250.30
Others	36.11	97.23
	10,510.00	**5,487.79**
Deferred tax liability		
Depreciation	10,073.17	5,165.45
Right-of-use assets	324.47	347.83
Fair Value Adjustment of Borrowings	133.39	-
Others	-	4.06
	10,531.03	**5,517.34**
Deferred tax liability (net)	**21.03**	**29.55**

Movement in Deferred tax assets
Recognised in the Statement of profit and loss

Particulars	As at March 31, 2025	As at March 31, 2024
Losses available for offsetting against future taxable income	4,991.79	5,026.67
Employee benefit expenses	24.52	28.74
Fair Value Adjustment of Borrowings	(133.39)	-
Provision for impairment allowance of financial assets	76.99	-
Lease Liabilities	(9.97)	(61.13)
Depreciation	(4,907.72)	(5,079.37)
Right-of-use assets	23.36	(36.40)
Others	(57.06)	92.84
Deferred tax expense recognised in the Statement of profit and loss - (Charge)/Credit	**8.52**	**(28.65)**

The Group has tax losses, unabsorbed depreciation and other items of Rs. 11,695.02 lakhs (March 31, 2024:Rs. 12,082.00 lakhs) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these items as they may not be used to offset taxable profits in the Group and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Group were able to recognise all unrecognised deferred tax assets, the loss for the year would decrease by Rs. 2,909.55 lakhs (March 31, 2024: Rs. 2,615.09 lakhs).

Particulars	Expiry date (Year ending March 31)	Number of units		Amount	
		March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Tax losses	2024	-	-	361.42	90.96
	2025	-	-	398.48	100.29
	2027	152.42	38.36	152.42	38.36
	2030	209.12	52.63	209.12	52.63
	2031	1,113.06	280.13	1,165.67	291.62
	2032	828.91	208.62	1,244.63	313.25
	2033	433.65	109.14	-	-
Total Tax Losses		**2,737.16**	**688.88**	**3,531.74**	**887.11**
Unabsorbed depreciation	No expiry period	7,847.80	1,975.14	7,537.61	1,506.98
Employee benefit expenses	No expiry period	300.06	75.53	202.65	51.01
Capital Loss	2030	810.00	170.00	810.00	170.00
Total		**11,695.02**	**2,909.55**	**12,082.00**	**2,615.09**

9(c) Tax expenses

Accounting Policy

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Current tax	-	0.67
Deferred tax	(8.52)	28.65
Total	**(8.52)**	**29.32**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Loss before tax	(4,181.77)	(3,274.59)
Indian statutory income tax rate	25.17%	25.17%
Expected tax expense	(1,052.55)	(824.21)
Deferred tax assets not recognised on losses and depreciation	1,052.55	824.21
Others	(8.52)	29.32
Total tax expense	**(8.52)**	**29.32**

10 Trade Receivables

Accounting Policy

A receivable represents the Group's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price adjusted to significant financing components. The Group holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Group applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables from:		
(i) Related parties (refer note 32)	**52.87**	**19.78**
- Unbilled*	44.35	19.78
- Billed	8.52	-
(ii) Others	**1,317.76**	**2,002.81**
- Unbilled*	1,058.28	997.77
- Billed	259.48	1,005.04
Sub-classification of trade receivables		
Secured, considered good	-	-
Unsecured considered good	1,370.64	2,022.59
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	58.31	-
Less: Impairment Allowance	58.31	-
Total	**1,370.64**	**2,022.59**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivable is 'unbilled' because the group has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

The ageing of trade receivables

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025								
(i) Undisputed Trade Receivables- considered good	8.93	1,102.63	186.44	56.15	16.49	-	-	**1,370.64**
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	58.31	-	-	**58.31**
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	**-**
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	**-**
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	**-**
Less: impairment allowance	-	-	-	-	58.31	-	-	58.31
Total	**8.93**	**1,102.63**	**186.44**	**56.15**	**16.49**	**-**	**-**	**1,370.64**

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024								
(i) Undisputed Trade Receivables- considered good	481.54	1,017.55	453.78	69.72	-	-	-	2,022.59
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables- credit impaired	-	-	-	-	-	-	-	-
Less: impairment allowance	-	-	-	-	-	-	-	-
Total	**481.54**	**1,017.55**	**453.78**	**69.72**	**-**	**-**	**-**	**2,022.59**

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Expected Credit Loss (ECL)

Accounting policy

In accordance with Ind AS 109, the Group applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Group follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month ECL. The Group considers current and anticipated future economic conditions relating to industries the Group deals with and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Consolidated Statement of Profit and Loss under the head 'other expenses' in the Consolidated Statement of profit and loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Group does not reduce impairment allowance from the gross carrying amount.

The following table summarises the change in impairment allowance measured using the life time expected credit loss model (Pursuant to Ind AS 109):

Estimates and assumptions

Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Group uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

Movement of Impairment of trade receivables and unbilled revenue is as follows

Particulars	Impairment of trade receivables		Impairment of unbilled revenue	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
At the beginning of the year	-	-	-	-
Less: Bad debts/write off	-	-	-	-
	-	-	-	-
Add: Provision made during the year	(58.31)	-	-	-
Less: Utilized/reversed during the year	-	-	-	-
At the end of the year	**(58.31)**	**-**	**-**	**-**

11 (a) Cash and cash equivalents

Accounting Policy

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- in current accounts	924.85	1,229.69
- in deposits with original maturity of less than three months*	3,127.70	1,600.56
- drafts on hand	135.00	-
Total	**4,187.55**	**2,830.25**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to Rs. 298.06 lakhs.

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity of more than three months but remaining maturity less than 12 months*	183.06	498.40
Total	**183.06**	**498.40**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to Rs. 183.06 lakhs.

12 Equity Share capital

Accounting Policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees, amounts paid to legal, accounting and other professional advisers, printing costs and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized shares		
525,000,000 (Previous year 525,000,000) equity shares of Rs. 10/- each.	52,500.00	52,500.00
	52,500.00	**52,500.00**
Issued, subscribed and fully paid share capital		
419,316,365 (Previous year 403,986,365) equity shares of Rs. 10/- each.	41,931.64	40,398.64
	41,931.64	**40,398.64**

First Energy Private Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

Particulars	No. of shares	Amount
Equity share of Rs. 10 each issued, subscribed and fully paid		
As at April 1, 2023	153,406,365	15,340.64
Changes during the year	250,580,000	25,058.00
As at March 31, 2024	403,986,365	40,398.64
Changes during the year	15,330,000	1,533.00
At March 31, 2025	**419,316,365**	**41,931.64**

(b) Terms/ rights attached to equity shares

The Holding Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Holding Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by ultimate holding / holding company

Particulars	As at March 31, 2025	As at March 31, 2024
Holding company		
Thermax Limited	41,931.64	40,398.64
419,316,359 (Previous year 403,986,359) equity shares of Rs. 10/- each.		

d) Equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at March 31, 2025	As at March 31, 2024	% Change during the Year
(i) Thermax Limited			
% Holding	100.00%	0.00%	0.00%
No. of shares	41,93,16,359	40,39,86,359	

(e) Details of shareholding of promoters:

Particulars	As at March 31, 2025	As at March 31, 2024	% Change during the Year
(i) Thermax Limited			
% Holding	100.00%	0.00%	0.00%
No. of shares	41,93,16,359	40,39,86,359	

(f) There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately preceding the reporting date.

13 Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
Securities premium		
Opening balance	936.51	941.45
Less: Cost related to issue of own equity instruments	-	(4.94)
Closing balance	**936.51**	**936.51**
Retained earnings		
Opening balance	(3,824.42)	(4,548.91)
Add : Loss for the year	(4,173.25)	(3,303.91)
Add : Other comprehensive income/(loss)	22.85	(17.98)
Less: Cost related to issue of own equity instruments	(26.33)	(258.81)
Transactions with Non controlling shareholders	107.18	4,305.19
Closing balance	**(7,893.97)**	**(3,824.42)**
Share Application money		
Opening balance	-	-
Add : Addition during the year	2,533.00	25,058.00
Less : Share allotment during the year	(1,533.00)	(25,058.00)
Closing balance	**1,000.00**	**-**
Equity component of compound financial instrument	246.72	246.72
Total	**(5,710.74)**	**(2,641.19)**

Nature and purpose of reserves

Securities premium reserve

Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Companies Act 2013.

14 a) Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Indian rupee loans from banks and financial institutions*	105,372.61	69,945.87
Less : Current maturities of long term borrowings	2,101.83	1,470.91
	103,270.78	**68,474.96**
Unsecured loans		
Loan from holding Company	1,943.00	577.00
	1,943.00	**577.00**
Total	**105,213.78**	**69,051.96**

*After considering unamortised transaction cost of Rs. 673.56 lakhs as at March 31, 2025 (Rs 523.53 lakhs as at March 31, 2024)

Details	Maturity Date	Terms of Payment	Interest Rate	March 31, 2025	March 31, 2024
Loan from Holding Company	Various	Repayable within 3 years from the disbursement	8.6%-8.95%	1,943.00	577.00

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Loan from Banks

(a) First Energy TN 1 Private Limited

Indian rupee loans of Rs 5,047.00 lakhs (Previous year Rs 5,258.96 lakhs) from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total paid up capital of the First Energy TN 1 Private Limited, held by the company.

(b) First Energy 2 Private Limited

Indian rupee loans of Rs 2,542.05 lakhs (Previous year Rs.2,631.43 lakhs) from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total paid up capital of the First Energy 2 Private Limited , held by the company.

(c) First Energy 3 Private Limited

Indian rupee loans of Rs 30,000.00 lakhs (Previous year Rs 29,322.00 lakhs) from financial institution is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, intangible assets including goodwill and uncalled capital, intellectual property, both present and future, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total paid up capital of the First Energy 3 Private Limited, held by the company.

(d) Jalansar Wind Energy Private Limited

Indian rupee loans of Rs 525.36 lakhs (Previous year Rs 562.37 lakhs) from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total paid up capital of the Jalansar Wind Energy Private Limited, held by the company

(e) Kanakal Wind Energy Private Limited

Indian rupee loans of Rs 788.40 lakhs (Previous year Rs.843.91 lakhs) from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total paid up capital of the Kanakal Wind Energy Private Limited, held by the company.

(f) First Energy 4 Private Limited

Indian rupee loans of Rs 20,343.12 lakhs (Previous year Rs 20,200.00 lakhs) from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total paid up capital of the First Energy 4 Private Limited, held by the company.

(g) First Energy 5 Private Limited

Indian rupee loans of Rs 29,800.00 lakhs from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total paid up capital of the First Energy 5 Private Limited, held by the company.

(h) First Energy 6 Private Limited

Indian rupee loans of Rs 12,821.38 lakhs (Previous year Rs 11,652.73 lakhs) from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total paid up capital of the First Energy 6 Private Limited, held by the company.

(i) First Energy 7 Private Limited

Indian rupee loans of Rs 4,178.85 lakhs from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of shares of the First Energy 7 Private Limited held by the Company.

Terms and conditions of term loans from banks

All the term loans from banks are repayable on quarterly basis in 76-79 quarterly installments bearing interest rates ranging from 8.50% - 9.40% (March 2024 - 9.00% - 9.40%).

During the year, the Group has used all the borrowings for the specific purpose for which they have been obtained.

As at March 31, 2025, the Group has not complied with some of the covenants under loan agreements in respect of non current borrowings of Rs 29,245.93 (Previous year Rs. 4,037.34 lakhs) . The Group has received confirmation from banks that said borrowings will not be recalled as consequence of such breaches.

14(b) Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans	**12,059.27**	**1,470.91**
Current maturities of non-current borrowings	2,101.83	1,470.91
Buyer's Line of Credit from Bank*	9,957.44	-
Unsecured loans	**33,386.40**	**18,375.10**
Loan from Financial Institution	29,500.00	-
Loan from holding Company	3,886.40	18,375.10
Total	**45,445.67**	**19,846.01**

*Loan has been against the credit facility sanctioned to holding company and secured against capital work in progress of First Energy 8 Private Limited.

Details	Maturity Date	Terms of Payment	Interest Rate	March 31, 2025	March 31, 2024
Loan from Holding Company	Various	Repayable within 180 days from the disbursement	8.60% to 8.95% (March 2024 - 8.15%)	3,474.78	17,963.48
Loan from Holding Company	On Demand	On Demand	0%	411.62	411.62
Buyer's Line of Credit from Bank	Various	Repayable within 90 days from date of shipment	7.50% to 7.9%	9,957.44	-
Loan from Financial Institution	September 24, 2025	Bullet repayment within 180 days from the disbursement	8.65%	29,500.00	-

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	4,187.55	2,830.25
Other bank balances	183.06	498.40
Borrowings	(150,659.45)	(88,897.97)
Interest accrued	(538.71)	(624.12)
Lease liabilities	(1,202.99)	(1,211.89)
Net debt	**(148,030.54)**	**(87,405.33)**

Patriculars	Other assets		Liabilities from financing activities		Total
	Cash & cash equivalents	Other Bank Balance	Borrowings	Lease Liability	
Net debt as at April 1, 2023	**12,339.77**	**0.94**	**(60,238.53)**	**(1,005.19)**	**(48,903.01)**
Addition to lease	-	-	-	(254.65)	(254.65)
Cash flows	(9,509.52)	497.46	(28,952.94)	47.95	(37,917.05)
Interest expenses	-	-	(6,387.21)	(88.16)	(6,475.37)
Other non cash movement	-	-	6,056.59	88.16	6,144.75
Net debt as at March 31, 2024	**2,830.25**	**498.40**	**(89,522.09)**	**(1,211.89)**	**(87,405.33)**
Addition to lease	-	-	-	(40.63)	(40.63)
Cash flows	1,357.30	(315.34)	(61,558.32)	49.53	(60,466.83)
Interest Expenses (including interest capitalised)	-	-	(11,630.04)	(109.40)	(11,739.44)
Interest Paid	-	-	11,512.29	109.40	11,621.69
Net debt as at March 31, 2025	**4,187.55**	**183.06**	**(151,198.16)**	**(1,202.99)**	**(148,030.54)**

14(c) Assets Pledged as Security

Particulars	As at March 31, 2025	As at March 31, 2024
Current		
Financial Assets		
First Charge		
Cash and cash equivalents	2,458.70	965.73
Trade receivables	1,165.03	2,022.59
Other current assets	2,162.66	3,526.90
Non-financial assets		
First Charge		
Other current assets	568.53	83.39
Total current assets pledged as security	**6,354.92**	**6,598.61**
Non-current		
Financial assets		
First Charge		
Other assets	65.27	182.51
Non-financial assets		
First charge		
Property, plant and equipment	124,885.48	76,806.76
Capital work-in-progress - Plant and machinery	25,820.52	16,488.20
Right of use asset - Leasehold Land	1,439.63	1,256.66
Other assets	687.71	427.74
Total non-currents assets pledged as security	**152,898.61**	**95,161.87**
Total assets pledged as security	**159,253.53**	**101,760.48**

15(a) Other non-current financial liabilities

Accounting Policy

Liability for put options issued to non-controlling shareholders in subsidiaries, to be settled in cash by the Group, which do not grant present access to ownership interest to the Group is recognised at present value of the redemption amount and is presented as financial liability. The non-controlling interests subject to put options are derecognised and the difference between the amount derecognised and present value of the redemption amount, is accounted for as an equity transaction.

Judgement

In determining whether Non controlling interest (NCI) is to be recognised with respect to shares held by Non controlling shareholders, management takes into consideration the contracts entered, dividend rights and risk reward relationship and exercises judgement in concluding whether NCI is to be recognized.

Particulars	As at March 31, 2025	As at March 31, 2024
Redemption liability	3,308.88	3,023.67
Trade deposits	26.46	23.29
Total	**3,335.34**	**3,046.96**

15(b) Other current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Payables for Property, plant and equipment and intangible assets	2,943.68	1,825.17
Employee related payables	241.85	189.46
Interest accrued but not due on loans	538.71	624.12
Other payables	101.63	-
Total	**3,825.87**	**2,638.75**

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

16(a) Other non-current liabilities

Accounting Policy

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and customer advances as the case may be.

Particulars	As at March 31, 2025	As at March 31, 2024
Contract liabilities		
Unearned revenue	124.55	77.82
Total	**124.55**	**77.82**

16(b) Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from customers	34.66	312.99
Unearned revenue	104.50	479.97
Advance from insurance company (refer note 37)	677.67	677.67
Statutory dues*	262.09	174.61
Others	0.30	49.33
Total	**1,079.22**	**1,694.57**

* mainly includes tax deducted at source, provident fund, GST etc.

17(a) Non-current provisions

Accounting Policy

Retirement benefit in the form of provident fund is a defined contribution scheme. The Group has no obligation, other than the contribution payable to the provident fund. The Group recognizes contribution payable to the provident fund scheme as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Group operates a defined benefit gratuity plan, which is unfunded. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

Past service costs are recognized in the Statement of profit and loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Group recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Group recognizes 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

The compensated absences such as privileged leave and sick leave are not expected to be settled wholly within 12 months after the end of the period in which the employees render the related service. They are therefore measured as the present value of expected future payments to be made in respect of services provided by employees up to the end of the reporting period using the projected unit credit method. The benefits are discounted using the market yields at the end of the reporting period that have terms approximating to the terms of the related obligation. Remeasurements as a result of experience adjustments and changes in actuarial assumptions are recognised in the Consolidated Statement of Profit and Loss. The Group does not have an unconditional right to defer settlement for any of these obligations and therefore have been classified as current liability. However, based on past experience, the Group does not expect all employees to take the full amount of accrued leave or require payment within twelve months.

Provision for Long term incentive is calculated using the projected unit credit method to determine the present value of its defined benefit obligations and the related current service cost."

Estimates and assumptions

Long Term Incentive Plan

The provision for other long term employee benefits which is recognized considering the estimated payout expected by the Group at present value using projected unit credit method. These include the determination of the discount rate and attrition rate. All assumptions are reviewed at each reporting date. The parameter which is most subjected to change is the attrition rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the long-term incentives.

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for gratuity (Refer note 17(c))	104.63	77.41
Other long-term employee benefits (Refer note 17(c))	312.49	754.70
Total	**417.12**	**832.11**

17(b) Current provisions

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for gratuity (Refer note 17(c))	6.37	10.10
Provision for compensated absence (Refer note 17(c))	105.15	95.46
Other provisions		
Provision for onerous contract	3.00	3.00
Total	**114.52**	**108.56**

17(c) Employee benefits plan

A Defined contribution plans

The group also has certain defined contribution plan. Contributions are made to provident fund in India for employees at the rate of 12% of basic salary as per regulations. The contributions are made to registered provident fund administered by the government. The obligation of the group is limited to the amount contributed and it has no further contractual nor any constructive obligation. The expense recognised during the period towards defined contribution plan is Rs 113.40 lakhs (31 March 2024 – Rs 91.95 lakhs).

B Defined benefit plans and other long term plans

i) Compensated absences

The Compensated Absences cover the group's liability for earned leave which are classified as other long-term benefits.

The entire amount of the provision of Rs.105.15 lakhs (31 March 2024 – Rs.95.46 lakhs) is presented as current, since the group does not have an unconditional right to defer settlement for any of these obligations. However, based on past experience, the group does not expect all employees to avail the full amount of accrued leave or require payment for such leave within the next 12 months.

Particulars	As at March 31, 2025	As at March 31, 2024
Leave obligations not expected to be settled within the next 12 months	87.61	80.36

ii) Gratuity

The Group operates a defined benefit plan viz. gratuity for its employees as per the Payment of Gratuity Act, 1972. Every employee who has completed specified years of service is eligible for gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The Group has not funded the liability as on March 31, 2025.

I Changes in the net benefit obligation is as follows :

Particulars	Amount
April 1, 2023	**48.94**
Current service cost	26.36
Transfer In	0.94
Interest expense/(income)	3.30
Total amount recognised in Profit or Loss*	**30.60**
Experience adjustments	10.25
Actuarial loss from change in financial assumptions	6.74
Demographic adjustments	0.99
Total amount recognised in Other Comprehensive (Income)/Loss	**17.98**
Benefits paid	(10.01)
March 31, 2024	**87.51**
Current service cost	46.57
Transfer In	(2.27)
Interest expense/(income)	6.03
Total amount recognised in Profit or Loss	**50.33**
Experience adjustments	(21.72)
Actuarial gain from change in financial assumptions	3.72
Demographic adjustments	(4.85)
Total amount recognised in Other Comprehensive (Income)/Loss	**(22.85)**
Benefits paid	(3.99)
March 31, 2025	**111.00**

II Significant assumptions

Particulars	March 31, 2025	March 31, 2024
Discount rate	6.60%	7.20%
Salary growth rate	10.00%	10.00%
Normal retirement age	60	60
Mortality table	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate
Employee turnover	15.00%	10.00%

IV Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	March 31, 2025	March 31, 2024
Discount rate		
1.00% increase	Decrease by 6.08	Decrease by 6.38
1.00% decrease	Increase by 6.73	Increase by 7.25
Future salary increase		
1.00% increase	Increase by 5.41	Increase by 6.14
1.00% decrease	Decrease by 5.01	Decrease by 5.53
Attrition rate		
1.00% increase	Decrease by 0.93	Decrease by 1.01
1.00% decrease	Increase by 1.02	Increase by 1.13

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet. The method and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous periods.

Particulars	March 31, 2025	March 31, 2024
Within next 12 months	6.37	10.10
Between 2-5 years	60.71	27.99
Next 5 years	216.79	212.02

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.71 years (March 31, 2024: 12.14 years)

iii) Other long-term employee benefits

Group offers cash bonuses to certain managerial employees the amount of which is based on performance of the group in a specific year. The amount of provision recognised for the long term employee benefit is Rs. 312.49 lakhs (31 March 2024 – Rs. 754.70 lakhs).

18 Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables: micro and small enterprises	71.67	83.86
Due to other than micro and small enterprises		
Trade payables to related parties (see note 32)	646.25	428.76
Trade payables: others	574.05	855.52
Total	**1,291.97**	**1,368.14**

Notes to the consolidated financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount dues to micro and small enterprises*	71.67	83.86
- Interest due thereon	2.67	0.38
The amount of interest paid by the Group in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	473.65	103.85
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	4.94	1.95
The amount of interest accrued and remaining unpaid at the end of each accounting year	7.61	2.33
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	9.94	2.33

*Amount due to Micro and Small enterprises are disclosed on the basis of information available with the Group regarding status of the suppliers as Micro and Small enterprises.

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) MSME	15.73	54.46	0.79	0.46	0.23	-	**71.67**
(ii) Others	152.53	470.84	267.29	165.49	164.15	-	**1,220.30**
(iii) Disputed dues- MSME	-	-	-	-	-	-	**-**
(iii) Disputed dues- Others	-	-	-	-	-	-	**-**
	168.26	**525.30**	**268.08**	**165.95**	**164.38**	**-**	**1,291.97**

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024							
(i) MSME	12.62	69.14	1.92	0.18	-	-	**83.86**
(ii) Others	579.10	377.33	161.30	166.55	-	-	**1,284.28**
(iii) Disputed dues- MSME	-	-	-	-	-	-	**-**
(iii) Disputed dues- Others	-	-	-	-	-	-	**-**
	591.72	**446.47**	**163.22**	**166.73**	**-**	**-**	**1,368.14**

19(a) Non-current lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities (refer note 30)	976.20	1,043.41
Total	**976.20**	**1,043.41**

19(b) Current lease liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities (refer note 30)	226.80	168.48
Total	**226.80**	**168.48**

20 Revenue from operations

Accounting Policy

Revenue from contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Group has concluded that it is the principal in all of its revenue arrangements since it is the primarily responsible for fulfilling the promise to provide the specified good or service and has discretion in establishing the price for the specified good or service.. The Group collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

The Group has following streams of revenue

Revenue from sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

At the end of each reporting period, the Group updates the estimated transaction price to represent the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Group accounts for such changes in the transaction price (including claims). Consideration / claim payable to a customer includes cash amounts that an entity pays to the customer. The Group accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct good or service that the customer transfers to the entity. The consideration payable to a customer includes a variable amount.

Revenue from Engineering, Procurement and Construction contracts

Engineering, Procurement and Construction (EPC) contracts are contracts specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Group identifies distinct performance obligations in each contract. For most of the contracts, the customer contracts with the Group to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted

for as one performance obligation.

The Group may promise to provide distinct goods or services within a contract, in which case the Group separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Group allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Group uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations. The Group assesses for the timing of revenue recognition in case of each distinct performance obligation. The Group first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Group performs, or

(b) The customer controls the work-in-progress, or

(c) The Group's performance does not create an asset with alternative use to the Group and the Group has right to payment for performance completed till date.

Revenue from sale of goods

Revenue from sale of goods is recognised at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Group also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred."

Revenue from leases (Group as a lessor)

Refer note 30 for accounting policy.

Revenue from Sale of services

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized on a time proportion basis under the contracts.

Judgements

A significant revenue of the Group's business relates to EPC contracts which is accounted using cost-based input method, recognizing revenue as the performance on the contract progresses. This requires management to make judgement with respect to identifying contracts for which revenue need to be recognised over a period of time, depending upon when the customer consumes the benefit, when the control is passed to customer, whether the asset created has an alternative use and whether the Group has right to payment for performance completed till date, either contractually or legally. The input method requires management to make significant judgements of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

In determining whether revenue contract (power purchase agreement) with customer especially when entire contractual capacity of one project (solar / wind project) is committed to one customer, management exercises judgement in concluding whether contract contains lease. Management takes into consideration who is responsible for design of the project and who has right to direct the use of solar plant.

Estimates and assumptions

Project cost to complete estimates: At each reporting date, the Group is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Group to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, contract assets and contract liabilities.

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
a) Revenue from contracts with customers		
Revenue from projects	1,090.01	2,995.68
Revenue from power supply	9,037.95	5,353.34
Revenue from sale of trading goods	390.05	-
Revenue from services	0.14	35.84
Revenue from operating lease	81.50	85.15
Total	**10,599.65**	**8,470.01**
b) Other operating revenue		
Interest income from finance lease	47.56	51.83
Exchange fluctuation gain (net)	-	0.95
Duty Drawback	2.23	-
Total	49.79	52.78
Revenue from operations (net)	**10,649.44**	**8,522.79**

(c) Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	10,209.60	8,385.81
At a point-in-time basis	390.05	-
Total revenue from contracts with customers	**10,599.65**	**8,385.81**
ii) Revenue by geographical market:		
Within India	10,072.97	7,234.38
Outside India	526.68	1,151.43
Total revenue from contracts with customers	**10,599.65**	**8,385.81**

iii) Contract balances

The following table provides information about contract balances from contracts with customers as at the reporting date:

Particulars	As at March 31, 2025	As at March 31, 2024
Unbilled revenue (Refer note 7(b)) - Contract assets	38.67	105.72
Advance from Customers (Refer Note 16(a)) - Contract liabilities	34.66	312.99
Unearned revenue (Refer Note 16(a) and (b)) Contract liabilities	229.05	557.79

Contract assets primarily relate to the Group's rights to consideration for work completed but not billed at the reporting date from projects and customised contracts. The Contract assets are transferred to Trade receivables on completion of milestones and its related invoicing.

The contract liabilities relate to unearned revenue and customer advances where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Group's cash positions on specific projects.

Contract assets have decreased as the group has provided fewer projects ahead of the agreed payment schedules for fixed-price contracts. Contract liabilities have decreased as the group has received fewer advance against the future products and services to be provided.

Notes to the consolidated financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

iv) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Unearned revenue	386.75	7.47
Customer advance	299.55	374.48

(v) Remaining performance obligations:

The Group applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts that have an original expected duration of one year or less or where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

vi) Reconciliation between revenue recognised in Statement of profit and loss and contract price

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Contract price	10,811.76	8,458.60
Adjustments for:		
Customer claims	(231.14)	(80.26)
Significant Financing Component	19.03	7.47
Total Revenue recognised	**10,599.65**	**8,385.81**

21 Other income

Accounting Policy

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

Recognition of insurance claim income

Significant judgment is involved in concluding virtual certainty of insurance reimbursement and recognizing insurance claim asset. In determining whether receipt of insurance claim pertaining to expenditure/ loss incurred is virtually certain, management takes into consideration communication from the Insurance company confirming whether the expenditure/loss pertaining to asset and event causing the expenditure/ loss are within the scope of insurance policy.

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Net gain on current investments designated at fair value through profit or loss (FVTPL)	104.11	42.15
Insurance claim receivable (refer note 37)	-	340.80
Interest Income on bank deposits	99.80	62.35
Miscellaneous income	50.82	141.51
Interest on Income Tax refund	0.29	0.43
Provisions no longer required written back	75.42	-
Total	**330.44**	**587.24**

22 Cost of raw materials consumed

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Inventories at the beginning of the year	-	-
Add: Purchases	534.21	2,716.61
Inventories at the end of the year	-	-
Total	**534.21**	**2,716.61**

23 Employee benefits expense

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Salaries, Wages and Bonus	288.16	961.59
Contribution to provident and other funds (Refer note 17(c))	113.40	91.95
Gratuity expense (Refer note 17 (c))	50.33	30.60
Staff welfare expenses	81.71	43.61
Total	**533.60**	**1,127.75**

24 Finance costs

Accounting Policy

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in statement of cash flows.

Judgments

Significant management judgement is involved in determining whether the asset (solar/wind projects) is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of solar/wind projects involves a period ranging from 6 months to 10 months.

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Interest expense on loan from bank/financial institutions	6,264.30	4,037.58
Interest expense on loan from Holding Company	505.41	70.40
Interest on lease liabilities	100.31	88.16
Finance cost on redemption liability	248.36	155.56
Other finance costs	3.72	2.16
Total	**7,122.10**	**4,353.86**

25 Depreciation and amortization expense

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Depreciation of property, plant and equipment	3,807.64	2,384.58
Impairment of property, plant and equipment (refer note 37)	293.81	-
Depreciation of right-of-use assets	66.81	69.11
Amortization of intangible assets	20.00	18.77
Total	**4,188.26**	**2,472.46**

26 Other expenses

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Power and fuel	39.23	22.80
Technical Charges	107.04	69.02
Site expenses and contract labour charges	263.47	85.27
Operation and maintenance charges	372.81	239.21
Advertisement and sales promotion	3.00	18.60
Sales commission	-	44.01
Rent	10.96	0.45
Rates and taxes	88.97	45.23
Insurance	404.80	119.02
Repairs and maintenance		
- Computers	0.03	2.07
- Others	62.61	436.65
Travelling and conveyance	71.54	114.48
Legal and professional fees	393.04	238.34
Recruitment Expenses	17.48	22.33
Management overhead fees	178.75	78.52
Miscellaneous expenses	251.58	177.95
Provision for impairment allowance of financial assets (net)	297.42	-
Exchange fluctuation loss (net)	8.17	-
Bad debts written off	12.56	-
Total	**2,583.46**	**1,713.94**

None of the Companies in the Group meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current and previous year.

28 Loss per share

Accounting Policy

The Group presents the basic and diluted earnings/loss per share (EPS) for its equity shares. Basic EPS is computed by dividing the net profit/ (loss) for the year attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the loss for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Loss attributable to the Equity shareholders of the Group	(4,173.25)	(3,303.91)
Weighted average number of Equity shares of ₹ 10/- each	41,53,37,543	26,73,65,081
Basic Loss per share	(1.00)	(1.24)
Diluted Loss per share	(1.00)	(1.24)

29 Contingent liabilities and commitments

Accounting Policy

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

A) Contingent liabilities

Particulars	March 31, 2025	March 31, 2024
Claims against the Group not acknowledged as debt*	-	305.00

*Claims against the Group not acknowledged as debt on account of ongoing arbitration/ legal dispute. Based on the legal opinion on the matter and management's assessments of the facts of the case, no provision is required to be made for the matter. Pending resolution of the matter, it is not practicable to estimate the timing of cash outflows, if any.

B) Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs.11,434.39 (March 31, 2024 Rs. 59,164.30).

30 Leasing Arrangements

i) Where the Group is lessor

Accounting Policy

Leases in which the Group does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognized on a straight-line basis over the term of the relevant lease. Leases are classified as finance leases when substantially all of the risks and rewards of ownership transfer from the Group to the lessee. Amounts due from lessees under finance leases are recorded as receivables at the Group's net investment in the leases. Finance lease income is allocated to accounting periods so as to reflect a constant periodic rate of return on the net investment outstanding in respect of the lease.

a) Amounts receivable under Finance lease -

The Group has entered into certain arrangements with its customers where the Group will supply electricity by installing solar power generating system at customers' premises. The Group has determined, that fulfilment of these arrangements is dependent on the use of a specific asset and the arrangement conveys a right to use these specific asset to the customers. Accordingly, these arrangements qualify as arrangements in the form of lease as specified in Ind-AS 116. Based on the evaluation of terms and conditions of these arrangements, such as the contract term constituting a major part of the economic life of the specific assets, the fair value of the asset and that it has transferred the significant risks and rewards in these assets to the customers, these lease arrangements have been classified as finance leases.

Particulars	Gross Investment in lease		Present value of minimum lease payments	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Within one year	66.51	66.51	59.04	59.04
After one year but not more than five years	176.66	212.42	109.12	124.48
More than five years	235.79	266.54	59.31	62.90
	478.96	**545.47**	**227.47**	**246.42**
Less: Unearned finance income	251.50	299.05	-	-
Present value of minimum lease payments receivable	227.46	246.42	227.47	246.42
Allowance for uncollectible lease payments	-	-	-	-

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	March 31, 2025	March 31, 2024
Current portion of finance lease receivables	66.51	59.04
Non-current portion of finance lease receivables	160.95	187.38

Particulars	March 31, 2025	March 31, 2024
Estimated unguaranteed residual value of assets under finance lease	-	-
Contingent rent recognised as income during the year	-	-
Interest rate inherent in the lease per annum	16.38% - 28.19%	16.38% - 28.19%

(b) Operating Lease

The Group has leased a solar power generating system. The tenure of lease agreement is 15 years.

Particulars	March 31, 2025	March 31, 2024
Lease received for the year	81.50	85.15

Particulars	March 31, 2025	March 31, 2024
Future minimum lease rental receivables under non-cancellable operating leases are as follows:		
Within one year	-	-
After one year but not more than five years	-	-
More than five years	-	-

ii) Group as lessee

Accounting Policy

The Group lease asset classes primarily consist of office buildings and leasehold lands. The Group assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether: (1) the contract involves the use of an identified asset (2) the Group has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Group has the right to direct the use of the asset.

At the date of commencement of the lease, the Group recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Group recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be paid under residual value guarantees. There are no variable lease payments. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

The Group has taken office building and lands on leases for a tenure of 5 to 29 years, and has extension option for office building as per mutual consent. There are no variable lease payments and residual value guarantees for these leases.

Extension and termination options are included in a number of leases across the group. These are used to maximise operational flexibility in terms of managing the assets used in the group's operations.

Carrying amounts of lease liabilities and the movements during the year:

Particulars	March 31, 2025	March 31, 2024
At the beginning of the year	1,211.89	1,005.19
Additions	40.63	254.65
Accretion of interest*	109.40	88.16
Payments made	(158.92)	(136.11)
As at end of the year	**1,203.00**	**1,211.89**
Current portion of lease liabilities	226.80	168.48
Non-current portion of lease liabilities	976.20	1,043.41
Total	**1,203.00**	**1,211.89**

*includes amount of Rs 9.09 lakhs capitalised during the year in addition to property, plant & equipment.

Details of amounts recognised in statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use assets	66.81	69.11
Interest expense on lease liabilities	100.31	88.16
Expense relating to leases of low-value assets (included in other expenses)	10.96	0.45
Total amount recognised in statement of profit and loss	**178.08**	**157.72**

31 Interest in subsidiaries

The consolidated financial statements of the Group includes subsidiaries listed in the table below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the Group, and the proportion of ownership interests held equals the voting rights held by the Group. The country of incorporation or registration is also their principal place of business.

First Energy Private Limited

Notes to the consolidated financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Sr. No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest	
			March 31, 2025	March 31, 2024
1	First Energy TN 1 Private Limited*	India	100.00%	100.00%
2	First Energy 2 Private Limited*	India	100.00%	100.00%
3	First Energy 3 Private Limited*	India	100.00%	100.00%
4	First Energy 4 Private Limited*	India	100.00%	100.00%
5	First Energy 5 Private Limited*	India	100.00%	100.00%
6	First Energy 6 Private Limited*	India	100.00%	100.00%
7	First Energy 7 Private Limited**	India	100.00%	100.00%
8	First Energy 8 Private Limited (incorporated on August 10, 2024)	India	100.00%	100.00%
9	First Energy Nine Private Limited (incorporated on February 1, 2024)#	India	100.00%	100.00%
10	First Energy 10 Private Limited (incorporated on March 23, 2024)	India	100.00%	100.00%
11	First Energy 11 Private Limited (incorporated on July 29, 2024)	India	100.00%	Not applicable
12	Jalansar Wind Energy Private Limited*	India	100.00%	100.00%
13	Kanakal Wind Energy Private Limited*	India	100.00%	100.00%

*Includes 26% shares held by non-controlling shareholders for which Non-controlling interests have not been recognised as the Group has assessed that there is no risk reward relationship attributable to them (refer note 15(a)).

**Includes 29% shares held by non-controlling shareholders for which Non-controlling interests have not been recognised as the Group has assessed that there is no risk reward relationship attributable to them (refer note 15(a)).

Includes 30% shares held by non-controlling shareholders for which Non-controlling interests have not been recognised as the Group has assessed that there is no risk reward relationship attributable to them (refer note 15(a)).

32 Related party disclosures

A Parent entity

The group is controlled by the following entities:

Holding Company: Thermax Limited

Ultimate Holding Company: RDA Holdings Private Limited

B Key Management Personnel:

1 Mr. Ashish Bhandari - Director
2 Mr. Rajendran Arunachalam - Director
3 Mr. Hemant Mohgaonkar - Director (till November 27, 2024)
4 Ms. Meher Pheroz Pudumjee- Director (w.e.f. September 30,2023)
5 Mr. Arun Unni - Director (w.e.f. November 27,2024)
6 Mr. Ravi Damaraju - Chief Executive Officer
7 Mr. Mitish Somani - Chief Financial Officer (till April 5, 2024)
8 Mr. Sumit Rathi - Chief Financial Officer (w.e.f. May 6,2024)
9 Ms. Sampada Sakhare - Company Secretary (till February 7, 2025)
10 Mr. Pranav Pimpale - Company Secretary (w.e.f April 30, 2025)

C Related parties with whom there have been transactions during the year

i) Companies under common control :

1 Thermax Onsite Energy Solutions Limited

2 Thermax Babcock & Wilcox Energy Solutions Private Limited

ii) Others - Entity over which control is exercised by KMP of parent entity:

1 Elgi Equipments Limited (till Jun 30, 2024)

D Transactions and closing balances with related parties

Particulars	Immediate Holding Company		Others		Companies under common control		Key Management Personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Transactions during the year										
Shares subscribed	1,533.00	25,058.00	-	-	-	-	-	-	**1,533.00**	**25,058.00**
Sales of products and services #	88.62	148.44	53.14	217.75	4.55	0.33	-	-	**146.31**	**366.52**
Sale of Power	68.51	-	-	-	41.49	-	-	-	**110.00**	**-**
Shares Application Money Received	1,000.00	-	-	-	-	-	-	-	**1,000.00**	**-**
Reimbursement of expenses received	-	9.30	-	-	-	6.98	-	-	**-**	**16.28**
Miscellaneous Income	-	-	-	-	-	-	-	-	**-**	**-**
Operation and maintenance charges	-	41.15	-	-	-	-	-	-	**-**	**41.15**
Purchase of Property, plant and equipment	23.77	-	-	-	-	-	-	-	**23.77**	**-**
Interest Expense on intercorporate loan	1,857.54	1,598.27	-	-	-	-	-	-	**1,857.54**	**1,598.27**
Sales commission paid	-	43.81	-	-	-	-	-	-	**-**	**43.81**
Reimbursement of expenses paid (including management fees as disclosed in note 26)	246.73	164.06	-	-	-	2.07	-	-	**246.73**	**166.13**
Loan Taken	38,006.82	55,202.00	-	-	-	-	-	-	**38,006.82**	**55,202.00**
Loan Repaid	51,129.53	53,555.00	-	-	-	-	-	-	**51,129.53**	**53,555.00**
Remuneration to key management personnel*	-	-	-	-	-	-	42.06	505.03	**42.06**	**505.03**

*Does not include provision made for gratuity and leave encashment since the same is calculated for all employees of the company as a whole.
#Others - M/S Elgi Equipments was related party till June 30, 2024

Notes to the consolidated financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Holding Company		Subsidiaries		Entities Controlled by Holding Company		Key Management Personnel and Individuals mentioned in E		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Outstanding balances as at the year end										
Trade receivable	25.26	19.79	1.26	21.41	26.35	-	-	-	**52.87**	**41.20**
Trade payables	646.25	426.31	-	-	-	2.45	-	-	**646.25**	**428.76**
Advance Given	-	11.26	-	-	-	-	-	-	**-**	**11.26**
Advance Taken	-	1.61	-	-	-	2.25	-	-	**-**	**3.86**
Unbilled revenue	12.66	-							**12.66**	**-**
Loan Taken	5,829.40	18,952.10	-	-	-	-	-	-	**5,829.40**	**18,952.10**
Interest Accrued	286.08	363.22	-	-	-	-	-	-	**286.08**	**363.22**
Other receivables	5.69								**5.69**	**-**
Salary Payable	-	-	-	-	-	-	-	5.53	**-**	**5.53**
Provision for long term incentive*	-	-	-	-	-	-	212.39	444.41	**212.39**	**444.41**

*Does not include provision made for gratuity and leave encashment since the same is calculated for all employees of the Group as a whole.

Terms and conditions for outstanding balances

1 All outstanding balances are unsecured, interest free except for borrowings and payable in cash. For details of interest on borrowings and loans, refer note 14.

2 All transactions with related parties are assessed to be at arm's length by the management.

3 Key Management Personnel Compensation

Particulars	As at March 31, 2025	As at March 31, 2024
Short term employment benefits	273.98	248.62
Long-term employee benefits	(231.92)	207.00

33 Segment reporting

Accounting Policy

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker (CODM). The Board of Directors of the First Energy Private Limited has been identified as the chief operating decision maker of the Group.

Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Board of Directors to assess performance and allocate resources. The management has determined the some business exhibit similar economic characteristics and meet other aggregation criteria and accordingly aggregated into two reportable segments - CAPEX Business and OPEX Business. CAPEX Business means providing behind the meter solutions like supply of solar power generating systems and related services and OPEX Business means power generation through open access solutions and related services. The CODM evaluates the segments based on their revenue and operating results.

The composition of these segments is given below:

Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.

I Information about Business Segments:

Sr. No.	Particulars	March 31, 2025	March 31, 2024
i	**Segment revenue**		
	a. OPEX	9,037.95	5,353.34
	b. CAPEX	1,611.49	3,169.45
	Income from operations	**10,649.44**	**8,522.79**
ii	**Depreciation and amortization**		
	a. OPEX	4,158.30	2,368.12
	b. CAPEX	29.96	104.34
		4,188.26	**2,472.46**
iii	**Segment results**		
	Loss before tax from each segment		
	a. OPEX	(5,116.49)	(3,773.03)
	b. CAPEX	730.81	393.94
	Total	**(4,385.68)**	**(3,379.09)**
	Other unallocable income net of unallocable expenses	203.91	104.50
	Total loss before tax	**(4,181.77)**	**(3,274.59)**
iv	**Segment Assets**		
	a. OPEX	1,91,295.37	1,29,778.36
	b. CAPEX	939.12	2,040.52
	c. Unallocated	6,058.48	5,844.89
	Total Assets	**1,98,292.97**	**1,37,663.77**
v	**Segment Liabilities**		
	a. OPEX	1,55,710.30	79,205.44
	b. CAPEX	225.27	1,356.03
	c. Unallocated	6,136.50	19,344.88
	Total Liabilities	**1,62,072.07**	**99,906.35**

Reconciliations to amounts consolidated in financial statements

Reconciliation of assets

Particulars	March 31, 2025	March 31, 2024
Segment operating assets	1,92,234.49	1,31,818.88
Investments	653.62	2,124.96
Cash and bank balances	4,370.61	3,328.64
Income tax assets	281.95	232.90
Other unallocated assets (majorly includes deposits with original maturity of more than 12 months)	752.30	158.39
Total assets	**1,98,292.97**	**1,37,663.77**

Reconciliation of liabilities

Particulars	March 31, 2025	March 31, 2024
Segment operating liabilities	1,55,935.57	80,561.47
Borrowings	5,829.40	18,952.10
Deferred tax liabilities	21.02	29.55
Other unallocable liabilities (majorly includes interest accrued on unallocated borrowing)	286.09	363.23
Total liabilities	**1,62,072.07**	**99,906.35**

II Information about geographic segment

Revenue from external customers

Particulars	March 31, 2025	March 31, 2024
India	10,122.76	7,371.36
Outside India	526.68	1,151.43
Total	**10,649.44**	**8,522.79**

Revenues of approximately Rs.3,227.05 lakhs is derived from an external customers exceeding 10% of the total revenue.

Non-current asset

Particulars	March 31, 2025	March 31, 2024
India	1,89,250.14	1,28,308.98
Outside India	-	-
Total	**1,89,250.14**	**1,28,308.98**

III Material items of income and expense : Finance costs

Particulars	March 31, 2025	March 31, 2024
Capex	-	-
Opex	7,122.09	4,353.86
Total	**7,122.09**	**4,353.86**

34 Fair value measurements

Break-up of financial assets carried at amortised cost

Particulars	March 31, 2025	March 31, 2024
Trade receivables	1,370.64	2,022.59
Finance Lease receivables	227.46	246.42
Other financial assets	1,844.65	1,215.47
Cash and cash equivalents	4,187.55	2,830.25
Bank balances other than cash and cash equivalents	183.06	498.40
Total	**7,813.36**	**6,813.13**
Current assets	7,520.51	6,395.58
Non-current assets	292.85	417.55
Total	**7,813.36**	**6,813.13**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	March 31, 2025	March 31, 2024
Financial assets		
Investments		
Mutual funds	653.62	2,124.96
Total financial assets (Current)	**653.62**	**2,124.96**

Fair value of market linked mutual funds is determined using Net Asset Value (NAV) report issued by mutual fund house.

Break up of financial liabilities carried at amortised cost

Particulars	March 31, 2025	March 31, 2024
Borrowings	1,50,659.45	88,897.97
Trade payables	1,291.97	1,368.14
Other financial liabilities	7,161.21	5,685.71
Total	**1,59,112.63**	**95,951.82**
Current liabilities	50,563.51	23,852.90
Non current liabilities	1,08,549.12	72,098.92
Total	**1,59,112.63**	**95,951.82**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

II Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Group's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2025	-	653.62	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2024	-	2,124.96	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

35 Financial risk management

The Group's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Group's operations. The Group's principal financial assets include trade and other receivables and cash and cash equivalents that are derived directly from its operations. The Group also holds investments measured at fair value through profit and loss.

Risk is inherent in the Group's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Group's continuing operations. The Group is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the years ended March 31, 2025 and March 31, 2024. The management of the Group reviews and agrees policies for managing each of these risks which are summarised below:

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk. The management of the Group has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group's exposure to the risk of changes in interest rate primarily relates to the Group's debt obligations with floating interest rates.

The exposure of the Group's borrowing to interest rate changes at the end of the reporting period are as follows:

	March 31, 2025	March 31, 2024
Variable rate borrowings	1,05,372.61	69,945.87

Sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in the interest rates on borrowings at variable interest rate. With all the other variables held constant, the Group's loss before tax is affected through the impact on floating rate borrowings, as follows:

Impact on loss after tax	March 31, 2025	March 31, 2024
Interest rates - increase by 50 basis points	(346.64)	(209.81)
Interest rates - decrease by 50 basis points	346.64	209.81

b Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Group's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Group operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to the USD.

Foreign exchange risk is managed on the basis of limits determined by management and a continuous assessment of current and expected exchange rate movements. The exposure to foreign currencies is not significant to the Group's financials statements.

c Price risk

The Group's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Group manages the price risk through placing limits on individual and total equity/ mutual fund instruments. Reports on the investment portfolio are submitted to the management on a regular basis. The Group is not currently exposed significantly to such risk.

II 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 Group is exposed to credit risk from its operating activities (primarily trade receivables, lease receivable and contract assets) and from its investing activities, including deposits with banks and other financial instruments.

Trade receivables and contract assets

Customer credit risk is managed by the Group's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on losses as per historical data adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. For details of charge of Impairment of trade receivables and unbilled revenue refer note 10.

Expected credit loss for trade receivables and contract assets under simplified approach

Trade receivables	As at March 31, 2025		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	1,102.63	0%	-
Outstanding for following periods from the due date			
Not due	8.93	0%	-
Less than 6 months	186.44	0%	-
More than 6 months	130.95	45%	58.31
Total	**1,428.95**		**58.31**

Trade receivables	As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	1,017.55	0%	-
Outstanding for following periods from the due date			
Not due	481.54	0%	-
Less than 6 months	453.78	0%	-
More than 6 months	69.72	0%	-
Total	**2,022.59**		**-**

Expected credit loss for contract assets under simplified approach

Contract assets	As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance
Not due	67.05	0%	-
Less than 6 months	-	0%	-
6 months - 1 year	-	0%	-
Total	**67.05**		**-**

Contract assets	As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance
Not due	394.77	0%	-
Less than 6 months	-	0%	-
6 months - 1 year	-	0%	-
Total	**394.77**		**-**

Balances with Banks

Credit risk from balances with banks is managed by the Group's finance department in accordance with the Group's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

Other financial assets carried at amortised cost

Group's exposure to other financial asset includes security deposits and lease receivables which is considered to be low risk. No loss allowance is required to be recognised except for the balances for which provision has been recognised, refer note 6(b) and note 26 for details of impairment provision recognised.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Group's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Group's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the group's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2025	< 1 year	1 to 3 years	> 3 years
Non- derivative			
Borrowings	45,445.67	8,676.83	97,210.39
Lease Liabilities	226.80	262.55	2,588.42
Trade Payables	1,291.97	-	-
Other payables	3,825.87	355.00	9,379.78

March 31, 2024	< 1 year	1 to 3 years	> 3 years
Non- derivative			
Borrowings	19,846.01	4,369.86	65,207.03
Lease Liabilities	168.48	375.72	2,610.79
Trade Payables	1,368.14	-	-
Other payables	2,638.75	355.00	9,235.78

36 Capital management

The Group's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Group. The Group determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the years ended March 31, 2025 and March 31, 2024. Capital represents equity attributable to equity holders of the Company.

Particulars	March 31, 2025	March 31, 2024
Borrowings (including accrued interest)	1,51,198.16	89,522.09
Lease Liabilities	1,202.99	1,211.89
Less: Cash and cash equivalents (includes other bank balances)	4,370.61	3,328.65
Net (surplus) / debt	**1,48,030.54**	**87,405.33**
Equity	36,220.90	37,757.45
Net Debt to Equity*	**4.09**	**2.31**

* Variation due to significant increase in debt as compared to last year and reduction in equity on account of losses during the year.

Loan covenants

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. Some of the debt covenants were not complied as at March 31, 2025 and March 31, 2024 (refer note 14(a)).

37 The site of First Energy 4 Private Limited was hit by unprecedented torrential rain around mid December 2023 resulting in submerging of the project site. The management has performed assessment of losses incurred on account of this event. Modules worth INR 10,925 lakhs were also submerged under water, but a substantial portion of these modules were subsequently operational and there was no sign of any physical damage except for a few modules. The Management had filed for an insurance claim for total loss inclusive of modules cost amounting to INR 11,700 lakhs which was later revised to INR 7,400 lakhs. The insurance company had acknowledged the intimation of claim and had confirmed that the property and the event are covered under the policy. Further the Insurance Company had remitted INR 1,000 lakhs as on account payment. The expense of INR 339 lakhs pertaining to damage was accounted for as repairs and maintenance cost in the books of account and the corresponding insurance claim income of INR 323 lakhs was recognized based on management's assessment of insurance claim being virtually certain. The discussion with insurance company for ascertainment of damage is still ongoing.

The site of First Energy 4 Private Limited and First Energy 6 Private Limited were affected by severe rains in December 2024 resulting in submerging of site. The management has performed assessment of losses incurred on account of this event. Basis the assessment, amount of Rs. 139.08 Lakhs and Rs. 154.73 Lakhs has been recognized as impairment expenses for the damage in the books of account in First Energy 6 Private Limited and First Energy 4 Private Limited respectively. The management has communicated the extent of damages to the insurer.

38 Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the group is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

Notes to the consolidated financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The Group has a process to take daily back-up of books of account maintained in electronic mode. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The group will take appropriate measures to comply with regulations.

39 Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

40 Other Statutory Information

(i) No proceedings have been initiated on or are pending against the group for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period,

(iii) The Group has not traded or invested in crypto currency or virtual currency during the financial year.

(iv) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Group had working capital limits of more than Rs. 5 crores. however, the group is not required to file quarterly returns or statement of current assets with the banks.

(vi) None of the Companies in the group have been declared willful defaulter by any bank or financial institution or government or government authorities.

(vii) The Group has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(viii) The Group has not entered into any scheme of arrangement which has an accounting impact on current or previous year."

41 First Energy Private Limited entered into a Share Purchase Agreement (SPA) with the former owners of Onix Two Enersol Private Limited (OTEPL) on September 6, 2024, to acquire 100% of OTEPL's shares for INR 1 lakh. The agreement specified certain precedent conditions that were to be fulfilled by October 5, 2024. These conditions remained unfulfilled and a further extension of six months was granted. These conditions were not complied even in the extended period. Accordingly, the acquisition did not consummate and hence not considered in the consolidated financial statements of First Energy Private Limited. OTEPL did not have material transactions.

42 Utilisation of borrowed funds and share premium

The Group has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person or entity, including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

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

ii. provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

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

i. 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

ii. provide any guarantee, security or the like on behalf of the ultimate beneficiaries."

43 Additional Information as per Section 129 of the Companies Act, 2013 – Annexure I.

Annexure I

Additional information required by Schedule III

Disclosure of additional information pertaining to the parent company, and its subsidiaries: For the year ended March 31, 2025

	Net Assets (Total assets-total liabilities)		Share in Profit and loss (PAT)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent Company								
First Energy Private Limited	99.28%	35,961.71	10.57%	(441.10)	100.00%	22.85	10.08%	(418.25)
Indian subsidiaries								
First Energy TN 1 Private Limited	5.43%	1,967.15	1.32%	(55.27)	0.00%	-	1.33%	(55.27)
First Energy 2 Private Limited	2.85%	1,032.09	0.35%	(14.72)	0.00%	-	0.35%	(14.72)
First Energy 3 Private Limited	20.77%	7,522.32	32.42%	(1,353.03)	0.00%	-	32.60%	(1,353.03)
First Energy 4 Private Limited	13.31%	4,822.72	30.86%	(1,287.90)	0.00%	-	31.03%	(1,287.90)
First Energy 5 Private Limited	25.51%	9,238.22	2.63%	(109.92)	0.00%	-	2.65%	(109.92)
First Energy 6 Private Limited	10.07%	3,647.00	16.62%	(693.72)	0.00%	-	16.71%	(693.72)
First Energy 7 Private Limited	5.24%	1,897.10	-0.95%	39.66	0.00%	-	(0.96%)	39.66
First Energy 8 Private Limited	20.89%	7,568.06	0.47%	(19.59)	0.00%	-	0.47%	(19.59)
First Energy Nine Private Limited	1.31%	475.72	-0.09%	3.76	0.00%	-	(0.09%)	3.76
First Energy 10 Private Limited	2.66%	963.69	0.38%	(16.02)	0.00%	-	0.39%	(16.02)
First Energy 11 Private Limited	(0.01%)	(1.97)	0.07%	(2.97)	0.00%	-	0.07%	(2.97)
Jalansar Wind Energy Private Limited	0.50%	182.41	0.28%	(11.62)	0.00%	-	0.28%	(11.62)
Kanakal Wind Energy Private Limited	0.82%	297.59	0.13%	(5.54)	0.00%	-	0.13%	(5.54)
Consolidation Adjustment	(108.65%)	(39,352.90)	4.92%	(205.26)	0.00%	-	4.95%	(205.26)
Total	**100.00%**	**36,220.90**	**100.00%**	**(4,173.25)**	**100.00%**	**22.85**	**100.00%**	**(4,150.40)**

First Energy Private Limited

Notes to the consolidated financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Disclosure of additional information pertaining to the parent company, and its subsidiaries: For the year ended March 31, 2024

	Net Assets (Total assets-total liabilities)		Share in Profit and loss (PAT)		Share in Other Comprehensive Income		Share in Total Comprehensive Income	
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated Other Comprehensive Income	Amount	As a % of consolidated Total Comprehensive Income	Amount
Parent Company								
First Energy Private Limited	89.50%	33,792.81	44.02%	(1,454.47)	100.00%	(17.98)	44.33%	(1,472.45)
Indian subsidiaries								
First Energy TN 1 Private Limited	5.35%	2,018.57	1.79%	(59.16)	0.00%	-	1.78%	(59.16)
First Energy 2 Private Limited	2.77%	1,046.75	1.31%	(43.38)	0.00%	-	1.31%	(43.38)
First Energy 3 Private Limited	23.51%	8,875.35	25.38%	(838.39)	0.00%	-	25.24%	(838.39)
First Energy 4 Private Limited	16.18%	6,110.61	18.96%	(626.32)	0.00%	-	18.85%	(626.32)
First Energy 5 Private Limited	24.76%	9,348.14	0.85%	(28.08)	0.00%	-	0.85%	(28.08)
First Energy 6 Private Limited	11.50%	4,340.77	2.36%	(78.13)	0.00%	-	2.35%	(78.13)
First Energy 7 Private Limited	4.92%	1,857.45	0.10%	(3.31)	0.00%	-	0.10%	(3.31)
First Energy 8 Private Limited	16.92%	6,387.69	0.65%	(21.62)	0.00%	-	0.65%	(21.62)
First Energy 10 Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
First Energy Nine Private Limited	0.01%	2.62	0.00%	0.03	0.00%	-	0.00%	0.03
Jalansar Wind Energy Private Limited	0.51%	193.76	0.25%	(8.15)	0.00%	-	0.25%	(8.15)
Kanakal Wind Energy Private Limited	0.80%	302.72	0.16%	(5.39)	0.00%	-	0.16%	(5.39)
Consolidation Adjustment	(96.72%)	(36,519.79)	4.16%	(137.54)	0.00%	-	4.14%	(137.54)
Total	**100.00%**	**37,757.45**	**100.00%**	**-3,303.91**	**100.00%**	**-17.98**	**100.00%**	**-3,321.89**

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Private Limited

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN : 10831177

Ravi Damaraju
Chief Executive Officer

Sumit Rathi
Chief Financial Officer

Pranav Pimpale
Company Secretary

Place: Pune
Date : April 30, 2025

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

Board of Directors
Mahesh Channakeshaviah Bukinkere
Rajendran Arunachalam
Kirtiraj Jilkar
Basant Jain (Upto July 1, 2024)
Hemant Mohgaonkar (upto November 27, 2024)
Anoop Poddar (w.e.f July 3, 2024 upto April 14, 2025)
Arun Unni (w.e.f November 27, 2024)
Sandip Mukherjee (w.e.f September 25, 2024)
Rajan Nair (w.e.f October 23, 2024)

Registered Office
Thermax House,
14, Mumbai – Pune Road, Wakdewadi,
Pune – 411003

Corporate Office
Energy House, D-II Block,
Plot No. 38 & 39
MIDC Chinchwad
Pune - 411 019

Key Managerial Personnel
Deodatta Deshpande (CEO)
Harish Tikotkar (CFO) (upto May 2, 2025)
Rohit Mittal (CFO w.e.f. May 3, 2025)
Shruti Ghalsasi (Company Secretary
w.e.f. January 10, 2025)

Auditors
SRBC & Co. LLP
Chartered Accountants
C-401, Panchshil Tech Park, Yerwada,
Pune- 411006, India

Bankers
HSBC Bank
ICICI Bank Limited
Axis Bank

DIRECTORS' REPORT

Dear Shareholder,

The Directors have the pleasure of presenting the Third Annual Report of the Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024- 25	2023-24
Total income	**57,151.47**	**26,514.29**
(Loss)/Profit before depreciation and interest	**(9,227.40)**	**(1,552.03)**
Depreciation	**89.55**	**103.88**
Interest	**82.28**	**56.24**
(Loss)/Profit before tax	**(9,399.23)**	**(1,712.15)**
Provision for taxation (incl. deferred tax)	**--**	**10.63**
(Loss)/Profit after tax	**(9,399.23)**	**(1,722.78)**

STATE OF COMPANY'S AFFAIRS

In the Financial Year 2024-25, the Company's total income is Rs. 57,151.47 lakh (previous year Rs. 26,514.29 lakh). Loss before tax is Rs. 9,399.23 lakh (previous year loss Rs. 1,712.15 lakh). The order balance of the Company as on March 31, 2025 was Rs. 31,503.24 lakh (previous year Rs 80,987 lakh).

The loss for the year was due to cost increases in equipment and construction of Bio-CNG plants to achieve technology stabilization for certain biomass feedstock. The company is actively co-ordinating and discussing with its customers the technology challenges being faced in commissioning of CBG plants and seeking support to ensure positive outcomes.

The Company will make efforts to leverage the extra costs incurred on technology changes in the year for its future business. Further, to ensure smooth execution of the current projects on hand the Company intends to seek financial support from shareholders. Please refer note no. 41 of Financial Statements for more details.

The Company is in the business of setting up BioCNG or renewable natural gas plants on engineering, procurement and construction (EPC) by partnering with technology partners globally.

The Company aspires to be a market leader in this segment and aims to deliver high quality solutions to the potential customers and assist them to get the best financial returns on their investment during lifecycle of the project.

OPERATIONS

In the year, the Company has started commissioning of the projects on varied feedstocks like Pressmud, Cow dung and Rice Straw. The BioCNG generated from these plants has been supplied to the oil marketing companies (OMCs) by the project developer under the Government scheme i.e. Sustainable Alternative Towards Affordable Transportation Scheme.

HEALTH AND SAFETY

The Company will ensure focus and continuous improvement on its Safety and Health standards. It will certify its operations for ISO 45001 OHSAS and ISO 14001 EMS by FY 2025-26.

MATERIAL CHANGES AFFECTNG FINANCIAL POSITION OF THE COMPANY

The financial position is affected as per changes explained above in State of Company's Affairs.

DIVIDEND

The Directors do not recommend any dividend on equity shares during year.

AMOUNT PROPOSED TO BE CARRIED TO RESERVES

The Company does not propose to carry any amount to reserves.

SHARE CAPITAL

The Company has authorized share capital of Rs.50,00,00,000 divided into 5,00,00,000 equity shares of Rs. 10 each as on March 31, 2025. Further the subscribed, issued and paid up share capital of the Company is Rs. 25,00,00,000 divided into 2,50,00,000 equity shares of Rs. 10 each as on March 31, 2025. Thermax Limited and EverEnviro hold 65% and 35%, respectively of the shareholding of the Company. The Company is a subsidiary of Thermax Limited.

During the year under review, the Company has made the further issue of shares to the existing shareholders on a rights basis. Details of the further issue of shares are as follows:

Date of Issue	Number of Shares	Nominal value per share (Rs.)	Amount paid up (Rs.)
July 9, 2024	2,00,00,000	Rs. 10/-	20,00,00,000

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

Further, at the Board Meeting held on May 2, 2025, the Directors approved the issuance of shares to the existing shareholders of the Company on a rights basis. However, the Company received renunciation letters from all other shareholders in favor of Thermax Limited. Accordingly, the Company allotted a total of 1,30,00,000 equity shares, aggregating to Rs. 13,00,00,000, to Thermax Limited. As a result, Thermax Limited's shareholding in the Company increased from 65% to 76.97%. The details of the rights issue are as follows:

Date of Issue	Number of Shares	Nominal value per share (Rs.)	Amount paid up (Rs.)	Allotted to
May 2, 2025	1,30,00,000	Rs. 10/-	13,00,00,000	Thermax Limited

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture or associate Company as on March 31, 2025.

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

PUBLIC DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company did not give any loan or make an investment pursuant to the provisions of Section 186 of the Companies Act, 2013.

BUSINESS RISK MANAGEMENT

The Company has a process in place for continuous and online risk management pertaining to the core business especially this being first-of-a-kind (FOAK) business segment and dependent on government policies. The Company is actively monitoring the same.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal controls are reviewed by Internal Audit Department of the holding Company on a periodical basis. All significant and material observations emerging out of Internal Audit are regularly reported to the Board and follow-up measures are taken.

STANDALONE AND CONSOLIDATED FINANCIAL STATEMENTS

The financial statements for the year ended March 31, 2025, have been prepared as per Schedule III to the Companies Act, 2013, as amended from time to time. The consolidated financial statements of the group are prepared in compliance with the Accounting Standards.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall under the criteria defined under Section 135 of Companies Act, 2013 as on March 31, 2025. Hence, the Corporate Social Responsibility provisions are not attracted.

KEY MANAGERIAL PERSONNEL (KMP)

During the year, Ms. Shruti Ghalsasi has been appointed as the Company Secretary and KMP of the Company by the Board of Directors in their meeting held on 10th January 2025. Further Mr. Rohit Mittal has been appointed as Chief Financial Officer and KMP of the Company by the Board of Directors in their meeting held on 2nd May 2025.

DIRECTORS

As on March 31, 2025, the Board of the Company comprises Seven Directors. In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Rajendran Arunachalam (DIN: 08446343), retires by rotation and being eligible, offers himself for re-appointment.

Following are the changes in Board composition during FY 2024-25.

Sr. No.	Name of Director	Appointment/ Resignation	Directorship/ category	Effective date	Whether the change has been approved by members.
1.	Mr. Basant Jain	Resignation	Non-executive Director	July 1, 2024.	Not Required
2.	Mr. Anoop Poddar*	Appointment	Additional Non-executive Director	July 3, 2024	Regularized in the 2nd AGM held on 9th July 2024.
3.	Mr. Sandip Mukherjee	Appointment	Additional non-executive Independent Director	September 25, 2024	Approved in the EOGM held on 6th November 2024.
4.	Mr. Rajan Nair	Appointment	Additional non-executive Independent Director	October 23, 2024	Approved in the EOGM held on 6th November 2024.
5.	Mr. Hemant Mohgaonkar	Resignation	Non-executive Director	November 27, 2024	Not Required
6.	Mr. Arun Unni	Appointment	Additional Non-executive Director	November 27, 2024	Will be regularized in the AGM to be held in FY 2025-26.

**Mr. Anoop Poddar has resigned from the Board of the Company effective from April 14, 2025. Board took the note of resignation in the meeting held on May 2, 2025.*

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Nomination and Remuneration Committee has recommended policy on Appointment and Remuneration of Directors and Key Managerial Personnel in the meeting held on January 10, 2025. The Board has adopted a policy in the consequent meeting held on January 10, 2025. No Director receives remuneration from the Company, except Independent Directors who are paid sitting fees approved by the Board for attending each Board or Committee meeting.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added to the data bank maintained by the Indian Institute of Corporate Affairs for Independent Directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. Both of the independent Directors have completed the said requirements.

INDEPENDENT DIRECTORS MEETING

During the year under review, the independent Directors met once on January 28, 2025, where all independent Directors were present inter alia to review the performance of the Board and non-independent Directors of the Company.

COMMITTEES OF THE BOARD

The Board has constituted the following Committees viz. Audit Committee and Nomination and Remuneration Committee.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors was constituted on November 6, 2024 which was further reconstituted by circular resolution passed by the Board on November 27, 2024. The Committee comprises the non-executive Directors viz Mr. Sandip Mukherjee as the Chairman and Mr. Rajan Nair & Mr. Rajendran Arunachalam as the members of the Committee. The Committee met one time from its constitution on January 28, 2025 where all members were present. Further, all the recommendations made by the Audit Committee were accepted by the Board. However, following the resignation of Mr. Anoop Poddar from the Board of the Company, he has ceased to be a member of the Committee.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Board of Directors was constituted on November 6, 2024. The Committee comprises the non-executive Directors viz Mr. Arun Unni as the Chairman and Mr. Rajan Nair, Mr. Sandip Mukherjee & Mr. Anoop Poddar as members of the Committee. The Committee met one time from its constitution on January 10, 2025 where all members were present.

BOARD MEETINGS

The Board met six times on May 2, 2024, July 9, 2024, July 25, 2024, November 6, 2024, January 10, 2025 and January 28, 2025 during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Details of meetings attended by the members are as follows:

Name	Dates on which Board Meetings Held					
	May 2, 2024	July 9, 2024	July 25, 2024	November 6, 2024	January 10, 2025	January 28, 2025
Mr. B. C. Mahesh	A	P	P	A	P	A
Mr. Rajendran Arunachalam	P	P	P	P	P	P
Mr. Arun Unni	NA	NA	NA	NA	P	P
Mr. Kirtiraj Jilkar	P	P	P	A	P	P
Mr. Hemant Mohgaonkar	P	A	P	P	NA	NA
Mr. Basant Jain	P	NA	NA	NA	NA	NA
Mr. Anoop Poddar	NA	P	P	P	P	P
Mr. Sandip Mukherjee	NA	NA	NA	P	P	P
Mr. Rajan Nair	NA	NA	NA	P	P	P

NA: Not Applicable P: Present A: Absent

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors have prepared the annual accounts on a going concern basis; and

(e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

The Company follows the Secretarial Standards issued by the Institute of Company Secretaries of India on the Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2). The Company is in compliance with these secretarial standards.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013, the Board and its Committees has carried out an annual valuation of its performance and of its individual Directors.

RELATED PARTY TRANSACTIONS

All related party transactions (RPTs) that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant transactions entered into by the Company with the related parties which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

CONSERVATION OF ENERGY

The Company is in the business of setting up of green Bio-CNG plants for its customers which produce CNG out of agricultural/municipal waste replacing fossil fuel.

TECHNOLOGICAL ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134(3)(m) of the Companies Act, 2013 is as follows:

(Rs. in lakhs)

	Current Year	Previous Year
Foreign exchange earnings	Nil	Nil
Foreign exchange outgo	5,046.07	755.02

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, duly amended, in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members and others entitled to receive it. Any shareholder interested in obtaining such particulars may write to the Company secretary. The information is also available for inspection at the Registered office during working hours up to the date of the Annual General Meeting.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. The Company has constituted Prevention of Sexual Harassment (POSH) Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

STATUTORY AUDITORS

M/s. SRBC & Co. LLP, Chartered Accountants, were appointed as the statutory auditors of the Company for a period of Four years commencing from the conclusion of 1st Annual General Meeting (AGM) until the conclusion of the 5th Annual General Meeting.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

SECRETARIAL AUDITORS

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, M/s. Amit Jaste & Associates, Company Secretaries, Mumbai, have been appointed as Secretarial Auditors of the Company by the Board in the meeting held on May 2, 2024 to undertake the secretarial audit for FY 2024-25.

The Secretarial Audit Report for FY 2024-25 is attached as Annexure 2. The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

COST AUDITORS

In terms of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, M/s. Dhananjay V. Joshi & Associates, Cost Accountants, Pune, have been appointed as the cost auditors of the Company by the Board in the meeting held on July 25, 2024 for FY 2024-25.

COST RECORDS

The maintenance of cost records as specified under Section 148 of the Act, is applicable to the Company and accordingly all the cost records are made and maintained by the Company and audited by the cost auditors.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

ANNUAL RETURN

The Company does not have any official website, hence provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 are not applicable.

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

RESTRICTION ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for purchase or subscribe shares of the Company.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. During the year there is no instance of one-time settlement with any Bank or Financial Institution, during the year under review.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of
Thermax Bioenergy Solutions Private Limited

	Rajendran Arunachalam	**Arun Unni**
	Director	Director
Pune, May 9, 2025	DIN: 08446343	DIN: 10831177

ANNEXURE - 1

Policy on the Selection and Appointment of Directors and the Remuneration of Directors, Key Managerial Personnel (KMP), and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Directors, based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors, KMP and other employees of the Company. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict-of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration of Non- Executive Directors (NEDs):

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the NRC shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD & WTD:

i. At the time of appointment or re-appointment, the Managing Director (MD) and Whole Time Director (WTD) shall be paid such remuneration as may be mutually agreed between the Company (which includes the NRC and the Board of Directors) and the MD and WTD within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD and WTD is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the NRC shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD and WTD, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/ employees and KMPs shall ensure the following:

(i) The remuneration is divided into Fixed component & Variable Component (Short Term Incentive Plan (STIP) and Long-Term Incentive Plan (LTIP)

(ii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

(6) Remuneration criteria for employees:

Employees shall be assigned grades/bands according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade/ bands and shall be based on various factors such as job profile, skill sets, seniority, experience, performance and prevailing remuneration levels for equivalent jobs.

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

Annexure-2

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Thermax Bioenergy Solutions Private Limited,
S No. 14/D, F P No. 32(33) Wakadewadi,
Mumbai-Pune Road, Pune - 411003

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Thermax Bioenergy Solutions Private Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the company through online access provided by the Company via Microsoft SharePoint and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2025 (Audit Period) complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2025 according to the provisions of:

(i) The Companies Act, 2013 (the Act) and the rules made thereunder;

(ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder; **(not applicable to the Company during the Audit period)**

(iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; **(not applicable to the Company during the Audit period)**

(iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder; **(not applicable to the Company during the Audit period)**

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):- **(Following sub-clauses (a) to (h) are not applicable to the Company during the Audit period as Company continues to be a Unlisted Public Company in its Articles under Section 2(71) of the Act)**

   a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018;

   d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2021;

   e. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021;

   f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 and

   h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

(vi) Following important specific laws applicable to the Company, as confirmed by the Company were substantially complied with:

   a. The Payment of Wages Act, 1936

   b. The Minimum Wages Act, 1948

   c. The Contract Labour (Regulation and Abolition), Act 1970

   d. The Maharashtra Fire Prevention and Life Safety Measures Act, 2006

   e. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

I have also examined compliance with applicable clauses of the following:

a. Secretarial Standards (SS.1 relating to meetings of Board of Directors & SS.2 relating to General Meetings) issued by the Institute of Company Secretaries of India.

b. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; **(Not applicable to the Company during the Audit Period)**

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. However, the threshold limits in respect of appointment of Independent Directors as required under section 149(4) of the Companies Act, 2013 read with Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014, were ascertained on 2nd May 2024 and the Company appointed an Independent Director w.e.f. 25th September 2024 and another Independent Director w.e.f. 23rd October 2024. After appointment of the Independent Directors, the Company has formed the necessary Committees.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, except when meetings were called at shorter notice as permitted u/s. 173(3) of the Act and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of Board of Directors.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

- The authorized share capital of the company was increased from Rs. 10 Crore to Rs. 30 Crore by the resolution passed by the members on July 9, 2024 and from Rs. 30 Crore to Rs. 50 Crore by the resolution passed by the members on November 6, 2024.
- The Board has made allotment of 2,00,00,000 equity shares at face value of Rs. 10/- each, on rights basis, to the existing shareholders by circular resolution passed on July 20, 2024.
- Mr. Sandip Mukherjee (DIN: 09355192) and Mr. Rajan Nair (DIN: 05326712) were appointed as Independent Directors on the Board of the Company.
- Ms. Shruti Ghalsasi was appointed as Company Secretary and Key Managerial Personnel in the Board Meeting held on January 10, 2025 during the period under review.

For Amit Jaste & Associates
Practising Company Secretaries

Amit Jaste **FCS No.:7289**
Proprietor **CP No.:12234**

Date: 9th May 2025
Place: Mumbai

UDIN: F007289G000307963

This report is to be read with our letter of even date which is annexed as Annexure-A and forms an integral part of this report

ANNEXURE A

To,
The Members,
Thermax Bioenergy Solutions Private Limited
Thermax House, 14, Mumbai Pune Road,
Wakdewadi, Pune MH 411003

Our report of even date to be read along with this letter.

1) Maintenance of secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.

2) We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.

3) We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.

4) Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events, etc.

5) The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.

6) The Secretarial audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Amit Jaste & Associates
Practising Company Secretaries

Amit Jaste **FCS No.:7289**
Proprietor **CP No.:12234**

Date: 9th May 2025
Place: Mumbai

UDIN: F007289G000307963

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

INDEPENDENT AUDITOR'S REPORT

To the Members of Thermax Bioenergy Solutions Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thermax Bioenergy Solutions Private Limited ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.

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, as amended ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, its loss including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs), as specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the 'Code of Ethics' issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit 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 Director's Report, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether such other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with governance for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 charged with governance are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

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

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

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

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

Report on Other Legal and Regulatory Requirements

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

2. As required by Section 143(3) of the Act, we report, to the extent applicable, that:

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

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books, except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

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

   (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act;

   (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g);

   (g) With respect to the adequacy of the internal financial controls with reference to these financial statements and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

   (h) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of section 197 read with Schedule V to the Act.

   (i) 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 does not have any pending litigations which would impact its financial position;

      ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 18 to the financial statements;

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

      iv. (a) The management has represented that, to the best of its knowledge and belief, 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 persons or entities, 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 persons or entities, 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; and

      c) Based on such audit procedures performed that have been 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. No dividend has been declared or paid during the year by the Company.

      vi. Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that, audit trail feature is not enabled for certain master data and direct changes to data, when using certain privileged access rights, as described in note 40 to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with, in respect of accounting software where the audit trail has been enabled. Additionally, the audit trail of prior years has been preserved by the Company as per the statutory requirements for record retention, to the extent it was enabled and recorded in those respective years, as stated in Note 40 to the financial statements

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYK2781

Place of Signature: Pune, India
Date: May 09, 2025

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

Annexure 1 as referred to in paragraph 1 under the heading 'Report on Other Legal and Regulatory Requirements' of our report of even date

Re: Thermax Bioenergy Solutions Private Limited ("the Company")

In terms of the information and explanations sought by us and given by the Company and the books of account and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that:

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

(B) The Company has maintained proper records showing full particulars of intangibles assets.

(b) All Property, Plant and Equipment have been physically verified by the management during the year except for IT assets which have been verified once in three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were identified on such verification.

(c) There is no immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), held by the Company and accordingly, the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has not revalued its Property, Plant and Equipment or intangible assets during the year ended March 31, 2025.

(e) There are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.

ii. (a) The Company's business does not require maintenance of inventories and, accordingly, the requirement to report on clause 3(ii)(a) of the Order is not applicable to the Company

(b) As disclosed in note 39 to the financial statements, The Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of the financial statements, the monthly statements filed by the Company with such banks are in agreement with books of accounts of the company. The Company has not been sanctioned working capital limits in excess of Rs. five crores in aggregate from financial institutions during the year on the basis of security of current assets of the Company.

iii. (a) During the year the Company has not provided loans, advances in the nature of loans, stood guarantee or provided security to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(a) of the Order is not applicable to the Company.

(b) During the year the Company has not made investments, provided guarantees, provided security and granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(b) of the Order is not applicable to the Company.

(c) The Company has not granted loans and advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.

(d) The Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.

(e) There were no loans or advance in the nature of loan granted to companies, firms, Limited Liability Partnerships or any other parties which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.

(iv) There are no loans, investments, guarantees, and security in respect of which provisions of sections 185 and 186 of the Companies Act, 2013 are applicable and accordingly, the requirement to report on clause 3(iv) of the Order is not applicable to the Company.

(v) The Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Companies Act and the rules made thereunder, to the extent applicable. Accordingly, the requirement to report on clause 3(v) of the Order is not applicable to the Company

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture or service of 'Other Machinery and Mechanical Appliances', and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.

vii. (a) Undisputed statutory dues including goods and services tax, provident fund, employees' state insurance income-tax, professional tax, cess and other statutory dues applicable have generally been regularly deposited with the appropriate authorities though there has been a slight delay in a few cases.

(b) According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable. The provisions relating to sales tax, service tax, duty of excise and value added tax are not applicable to the Company.

(c) There are no dues of goods and services tax, provident fund, income tax, customs duty, excise duty, cess, and other statutory dues which have not been deposited on account of any dispute.

viii. The Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961 as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company

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

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

(c) The Company did not have any term loans outstanding during the year hence, the requirement to report on clause (ix)(c) of the Order is not applicable to the Company.

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

(e) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.

(f) The Company does not have any subsidiary, associate or joint venture. Accordingly, the requirement to report on Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) The Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments) hence, the requirement to report on clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has not made any preferential allotment or private placement of shares /fully or partially or optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) No fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) During the year, no report under sub-section (12) of section 143 of the Companies Act, 2013 has been filed by cost auditor/ secretarial auditor or by us in Form ADT – 4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government.

(c) We have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of audit procedures.

(xii) The Company is not a nidhi Company as per the provisions of the Companies Act, 2013. Therefore, the requirement to report on clause 3(xii)(a) to (c) of the Order is not applicable to the Company.

(xiii) Transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.

(xiv) (a) The Company has an internal audit system commensurate with the size and nature of its business

(b) The Company follows a July to June internal audit cycle and accordingly the internal audit reports of the Company for the period under audit and issued till the date of our audit report, have been considered by us. As informed to us, the internal audit for remaining areas / scope is expected to be completed post issuance of our audit report on these financial statements.

(xv) The Company has not entered into any non-cash transactions with its directors or persons connected with its directors and hence requirement to report on clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) The provisions of section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) are not applicable to the Company. Accordingly, the requirement to report on clause (xvi)(a) of the Order is not applicable to the Company.

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause (xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company as defined in the regulations made by Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi) of the Order is not applicable to the Company.

(d) The Group has one Core Investment Company as part of the Group.

(xvii) The Company has incurred cash losses amounting to INR 8,308.50 in the current year and amounting to Rs. 1,214.39 in the immediately preceding financial year respectively.

(xviii) There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.

(xix) On the basis of the financial ratios disclosed in note 37 to the financial statements, the ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions and considering the Company's current liabilities exceeds the current assets by INR 9,170.61, the Company has obtained the letter of financial support from the Holding Company, nothing has come to our attention, which causes us to believe 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, further state that this is not an assurance as to the future viability of the Company and 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) The provisions of Section 135 to the Companies Act, 2013 in relation to Corporate Social Responsibility is not applicable to the Company. Accordingly, the requirement to report on clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

(xxi) The company does not have any subsidiary, associate or joint venture. Hence, the requirement to report on clause 3(xxi) of the order is not applicable to the company.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYK2781

Place of Signature: Pune, India
Date: May 09, 2025

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

Annexure 2 to the Independent Auditor's Report of even date on the Financial Statements of Thermax Bioenergy Solutions Private Limited

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

We have audited the internal financial controls with reference to financial statements of Thermax Bioenergy Solutions Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to these financial statements based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to these financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to these financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to these financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls With Reference to these Financial Statements

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

Inherent Limitations of Internal Financial Controls With Reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN: 25135859BMTEYK2781

Place of Signature: Pune, India
Date: May 09, 2025

Balance Sheet as at March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	4 (a)	101.47	129.45
Other intangible assets	4 (b)	14.55	26.15
Financial assets:			
(a) Trade receivables	5 (a)	221.71	448.62
Income tax assets (net)		309.98	482.29
Total Non-current assets		**647.71**	**1,086.51**
Current assets			
Financial assets:			
(a) Investments	8	395.38	1,315.89
(b) Trade receivables	5 (b)	12,863.78	8,734.19
(c) Cash and cash equivalents	9	73.03	192.14
(d) Loans	10	-	0.06
(e) Other financial assets	11	352.33	3,065.10
Other current assets	12	4,530.35	4,075.98
Total current assets		**18,214.87**	**17,383.36**
Total assets		**18,862.58**	**18,469.87**
Equity and liabilities			
Equity			
Equity share capital	13	2,500.00	500.00
Other equity	14	(11,207.83)	(1,624.39)
Total equity		**(8,707.83)**	**(1,124.39)**
Non-current liabilities			
Financial liabilities			
Trade Payables	17 (a)		
- total outstanding dues of micro enterprises and small enterprises		-	-
- total outstanding dues of creditors other than micro enterprises and small'enterprises		184.93	84.25
Total non-current liabilities		**184.93**	**84.25**
Current liabilities			
Financial liabilities			
Short term borrowing	15	248.94	-
(a) Trade payables	17 (b)		
- total outstanding dues of micro enterprises and small enterprises		5,966.51	3,254.45
- total outstanding dues of creditors other than micro enterprises and small'enterprises		10,071.45	4,824.33
(b) Other financial liabilities	18	154.34	120.80
Provisions	16	1,493.64	524.27
Other current liabilities	19	9,450.60	10,786.16
Total current liabilities		**27,385.48**	**19,510.01**
Total equity and liabilities		**18,862.58**	**18,469.87**
Summary of material accounting policies			2
Summary of significant accounting judgements, estimates and assumptions			3

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

Statement of profit and loss for the year ended March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	Note no	March 31, 2025	March 31, 2024
Income			
Revenue from operations	20	56,980.32	26,459.53
Other income	21	171.15	54.76
Total Income		**57,151.47**	**26,514.29**
Expenses			
Cost of raw materials consumed	22	45,029.93	17,507.63
Employee benefits expense	23	2,327.98	1,498.58
Finance cost	24	82.28	56.24
Depreciation and amortization expense	25	89.56	103.88
Other expenses	26 (a)	19,020.96	9,060.11
Total expenses		**66,550.71**	**28,226.44**
(Loss) / Profit before tax		**(9,399.24)**	**(1,712.15)**
Tax expense			
Current tax		-	-
Adjustment of tax relating to earlier periods	6	134.87	
Deferred tax	7	-	10.63
Total tax expense		**134.87**	**10.63**
(Loss)/ Profit for the year		**(9,534.11)**	**(1,722.78)**
Other comprehensive income / (loss)			
A. Items that will not be reclassified subsequently to profit or loss	27		
Re-measurement (loss) of defined benefit plan		(14.55)	(17.45)
Less: Income tax effect		-	-
		(14.55)	**(17.45)**
Total comprehensive income for the year		**(9,548.66)**	**(1,740.23)**
Earning per equity share [Nominal value Rs. 10 each, (March 31, 2024 - Rs. 10 each)]	28		
Basic		(49.96)	(34.46)
Diluted		(49.96)	(34.46)
Summary of material accounting policies			2
Summary of significant accounting judgements, estimates and assumptions			3

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

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN:

Place: Pune
Date: May 09, 2025

For and on behalf of the Board of Directors of
Thermax Bioenergy Solutions Private Limited
CIN : U40107PN2022PTC213848

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN: 10831177

Deodatta Deshpande
Chief Executive Officer

Rohit Mittal
Chief Financial Officer

Shruti Ghalsasi
Company Secretary

Place: Pune
Date: May 09, 2025

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise.)

	Particulars	Note No.	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows from operating activities**			
	Loss before tax		(9,399.24)	(1,712.15)
	Adjustments to reconcile profit before tax to net cash flows			
	Depreciation/Amortisation expenses	25	89.56	103.88
	Provision for impairment allowance of financial assets and contract assets	26 (a)	1,062.86	259.20
	Provision for doubtful advances	26 (a)	38.39	106.72
	Gain on Investments	21	(114.19)	(45.08)
	Finance cost	24	21.74	56.24
	Unrealised foreign exchange (gain)/loss		25.80	22.18
	Share based payment expenses	14	3.22	5.78
	Interest income	21	-	(5.48)
	Operating Profits before working capital changes		**(8,271.86)**	**(1,208.71)**
	Adjustment in working capital:			
	(Increase)/decrease in trade receivables		(4,965.54)	(8,170.39)
	(Increase)/decrease in other financial assets		2,712.77	(2,369.46)
	(Increase)/decrease in other current assets		(492.77)	(1,248.29)
	(Increase)/decrease in loans		0.06	0.25
	Decrease)/increase in trade payables		8,050.32	5,882.75
	(Increase)/decrease in other current liabilities		(1,335.56)	6,541.93
	(Increase)/decrease in other financial liabilities		17.27	88.62
	(Decrease)/increase in provisions		954.82	412.50
			4,941.37	**1,137.91**
	Cash generated from operations		**(3,330.49)**	**(70.80)**
	Direct taxes paid (net of refunds received)	6	37.44	(408.80)
	Net cash flow from/(used in) from operating activities		**(3,293.05)**	**(479.60)**
B)	**Investing activities**			
	Purchase of property, plant and equipment and other intangible assets		(49.98)	(144.32)
	Interest received		-	5.48
	Purchase of Investments		(10,700.30)	(5,125.00)
	Sale of Investments		11,735.00	3,854.20
	Net cash flows from/(used in) investing activities		**984.72**	**(1,409.64)**
C)	**Financing activities**			
	Issue of equity share capital (net of transaction cost)		1,962.00	-
	Proceeds from borrowings		600.00	-
	Repayment of borrowings		(600.00)	
	Finance cost		(21.74)	(4.27)
	Net cash flows from / (used in) financing activities		**1,940.26**	**(4.27)**
	Net (decrease)/ increase in cash and cash equivalents (A + B + C)		**(368.05)**	**(1,893.51)**
	Cash and cash equivalents at the beginning of the period		192.14	2,085.65
	Cash and cash equivalents at the end of the period (Refer note 9)		**(175.91)**	**192.14**

Reconciliation of cash and cash equivalents as per the Cash Flow Statement:

	Note No.	March 31, 2025	March 31, 2024
Cash and cash equivalents	9	73.03	192.14
Bank overdraft (secured)	15	(248.94)	-
Balances as per cash flow statement		**(175.91)**	**192.14**

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise.)

A Equity Share Capital#

Particulars	Note	March 31, 2025		March 31, 2024	
		No. of shares	Amount	No. of shares	Amount
Balance at the beginning of the period	13	5,000,000	500	5,000,000	500
Change in equity shares capital during the period	13	20,000,000	2,000	-	-
Balance at the end of the period	13	25,000,000	2,500	5,000,000	500

B Other Equity#

Particulars	Reserves & Surplus		
	Retained Earnings	Share based payment	Total
Opening balance	110.06	-	110.06
Profit for the period	(1,722.78)	-	(1,722.78)
Other Comprehensive Loss (net) (note 27)	(17.45)	-	(17.45)
Employee share based payment (refer note 36)	-	5.78	5.78
As at March 31, 2024	**(1,630.17)**	**5.78**	**(1,624.39)**
(Loss)/ Profit for the year	(9,534.11)	-	(9,534.11)
Other Comprehensive Loss (net) (note 27)	(14.55)	-	(14.55)
Transaction cost for paid up share capital	(38.00)	-	(38.00)
Employee share based payment (refer note 36)		9.00	9.00
Less : Exercise of share option	-	(5.78)	(5.78)
As at March 31, 2025	**(11,216.83)**	**9.00**	**(11,207.83)**

There are no adjustment on account of prior period errors or due to changes in accounting policies

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN:

Place: Pune
Date: May 09, 2025

For and on behalf of the Board of Directors of
Thermax Bioenergy Solutions Private Limited
CIN : U40107PN2022PTC213848

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN: 10831177

Deodatta Deshpande
Chief Executive Officer

Rohit Mittal
Chief Financial Officer

Shruti Ghalsasi
Company Secretary

Place: Pune
Date: May 09, 2025

Notes to the financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise.)

1. Corporate information

Thermax Bioenergy Solutions Private Limited (the "Company") is a private limited company incorporated under Companies Act, 2013 ('the Act') and is a deemed public company as per the definitions of the Act. The Company undertakes Technology, Engineering, Procurement and Construction ('TEPC') scope for Bio-Compressed Natural Gas (Bio-CNG) projects. The Company's remaining business includes Operation and Maintenance services for such projects. The address of its registered office is S No. 14/D, F P No. 32(33) Wakadewadi, Mumbai-Pune Road, Pune- 411003. The CIN of the Company is U40107PN2022PTC213848. The Board of Directors have authorized to issue these financial statements on May 09, 2025.

2. Material accounting policies

2.1. Basis of preparation and measurement

(a) Basis of preparation

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015, as amended (from time to time) and presentation requirement of Division II of Schedule III to the Act as applicable to the financial statements.

The preparation of the financial statements requires the use of certain critical accounting estimates, assumptions and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

(b) Basis of measurement

The financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
- Defined benefit plans whereby assets/liabilities are measured at fair value.

2.2 Changes in accounting policies and disclosures

New and amended standards

The Company applied for the first-time certain standards and amendments, which are effective for annual periods beginning on or after 1 April 2024. The Company has not early adopted any standard, interpretation or amendment that has been issued but is not yet effective.

(i) Ind AS 117 Insurance Contracts

The Ministry of Corporate Affairs (MCA) notified the Ind AS 117, Insurance Contracts, vide notification dated 12 August 2024, under the Companies (Indian Accounting Standards) Amendment Rules, 2024, which is effective from annual reporting periods beginning on or after 1 April 2024.

Ind AS 117 Insurance Contracts is a comprehensive new accounting standard for insurance contracts covering recognition and measurement, presentation and disclosure. Ind AS 117 replaces Ind AS 104 Insurance Contracts. Ind AS 117 applies to all types of insurance contracts, regardless of the type of entities that issue them as well as to certain guarantees and financial instruments with discretionary participation features; a few scope exceptions will apply. Ind AS 117 is based on a general model, supplemented by:

- A specific adaptation for contracts with direct participation features (the variable fee approach)
- A simplified approach (the premium allocation approach) mainly for short-duration contracts

The application of Ind AS 117 does not have material impact on the Company's separate financial statements as the Company has not entered any contracts in the nature of insurance contracts covered under Ind AS 117.

(ii) Amendments to Ind AS 116 Leases - Lease Liability in a Sale and Leaseback

The MCA notified the Companies (Indian Accounting Standards) Second Amendment Rules, 2024, which amend Ind AS 116, Leases, with respect to Lease Liability in a Sale and Leaseback.

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendment is effective for annual reporting periods beginning on or after 1 April 2024 and must be applied retrospectively to sale and leaseback transactions entered into after the date of initial application of Ind AS 116.

The amendments do not have a material impact on the Company's financial statements.

2.3 Summary of Material accounting policies

a. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- 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 expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Foreign currencies

The Company's financial statements are prepared in Rupees, which is the also functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the

functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of profit and loss.

c. Fair value measurement

The Company measures financial instruments 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. 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 asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarizes accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

- Disclosures for significant judgements, estimates and assumptions (note 3)
- Quantitative disclosures of fair value measurement hierarchy (note 34)
- Financial instruments (including those carried at amortized cost) (note 34)
- Financial instruments and valuation techniques

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

d. Property, plant and equipment

Property, plant and equipment (PPE) is stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The management has estimated, supported by independent assessment by professionals, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Office equipment*	5	5
Computers	3 to 6	3 to 6
Furniture and fixtures	15	10

*includes site infrastructure which is fully depreciated in the year of purchase

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

e. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

A summary of amortization rates applied to the Company's intangible assets is as below:

Asset category	Life (years)
Computer software	3

f. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both the parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

The specific recognition criteria described below must also be met before revenue is recognized.

The disclosures of significant accounting judgements, estimates and assumptions relating to revenue from contracts with customers are provided in Note 3.

The Company has following streams of revenue:

Revenue from Engineering, Procurement and Construction contracts

Engineering, Procurement and Construction (EPC) contracts are contracts (or a group of contracts secured together) specifically negotiated for the construction of an asset which refers to any project for construction of plants and systems, involving designing, engineering, fabrication, supply, erection (or supervision thereof), commissioning, guaranteeing performance thereof etc., execution of which is spread over different accounting periods. The Company identifies distinct performance obligations in each contract. For most of the project contracts, the customer contracts with the Company to provide a significant service of integrating a complex set of tasks and components into a single project or capability. Hence, the entire contract is accounted for as one performance obligation.

The Company may promise to provide distinct goods or services within a contract, in which case the Company separates the contract into more than one performance obligation. If a contract is separated into more than one performance obligation, the Company allocates the total transaction price to each performance obligation in an amount based on the estimated relative standalone selling prices of the promised goods or services underlying each performance obligation. The Company uses the expected cost plus a margin approach to estimate the standalone selling price of each performance obligation in case of contracts with more than one distinct performance obligations.

The Company assesses for the timing of revenue recognition in case of each distinct performance obligation. The Company first assesses whether the revenue can be recognized over a period of time if any of the following criteria is met:

(a) The customer simultaneously consumes the benefits as the Company performs, or

(b) The customer controls the work-in-progress, or

(c) The Company's performance does not create an asset with alternative use to the Company and the Company has right to payment for performance completed till date

If none of the criteria above are met, the Company recognized revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

The Company recognizes revenue over time as it performs because of continuous transfer of control to the customer. For all project contracts, this continuous transfer of control to the customer is supported by the fact that the customer typically controls the work in process as evidenced either by contractual termination clauses or by the rights of the Company to payment for work performed to date plus a reasonable profit to deliver products or services that do not have an alternative use.

The Company uses cost-based measure of progress (or input method) for contracts because it best depicts the transfer of control to the customer which occurs as it incurs costs on contracts. Under the cost-based measure of progress, the extent of progress towards completion is measured based on the ratio of costs incurred to date to the total estimated costs at completion of the performance obligation. Revenues, including estimated fees or profits, are recorded proportionally as costs are incurred.

The Company estimates variable consideration amount which it expects to be entitled under the contract and includes it in the transaction price to the extent it is highly probable that a significant reversal of cumulative revenue recognized will not occur and when the uncertainty associated with it is subsequently resolved. The estimates of variable consideration and determination of whether to include estimated amounts in the transaction price are based largely on an assessment of the anticipated performance and all information (historical, current and forecasted) that is reasonably available.

Costs associated with bidding for contracts are charged to the Statement of profit and loss when they are incurred. Costs that relate directly to a contract and are incurred in securing the contract are included as part of the contract costs if they can be separately identified and measured reliably and it is probable that the contract will be obtained.

Contract modification, when approved by both the parties to the contract, are considered as modification, if it creates new or changes the existing enforceable rights and obligations. Most of the contract modifications are not distinct from the existing contract due to the significant integration service provided under the contract prior to modifications and are therefore, accounted for as part of the existing contract. The effect of a contract modification is recognized as an adjustment to revenue on a cumulative catch-up basis.

When it becomes probable that the total contract costs will exceed the total contract revenue, the Company recognizes the expected losses from onerous contract as an expense immediately. Penalties for any delay or improper execution of a contract are recognized as a deduction from revenue. In the balance sheet, such provisions are presented on net basis of the contract receivables.

On the balance sheet date, the Company reports the net contract position for each contract as either an asset or a liability. A contract represents an asset where costs incurred plus recognized profits (less recognized losses) exceed progress billings; a contract represents a liability where the opposite is the case.

Revenue from Sale of services

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized on a time proportion basis under the contracts.

Contract balances

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration that is conditional and are transferred to Trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company satisfies the performance obligation. Contract liabilities are recorded in balance sheet as unearned revenue and Customer advances as the case may be.

Interest Income

Interest income is recognised when it is probable that the economic benefits will flow to the Company and the amount can be measured reliably. Interest income is accrued on a time proportion basis, by reference to the principal outstanding and the effective interest rate applicable. Interest income is included in the other income in the Statement of profit and loss.

g. Financial instruments

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.

Financial Assets

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements financial assets are classified in following categories by the Company:

Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss. This category generally applies to trade and other receivables.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month ECL. The Company considers current and anticipated future economic conditions relating to industries of the customer and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head "Other expenses". ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost.

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((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortised cost using the EIR method. Gains and losses are recognized in Statement of profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of Profit and Loss.

h. Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of profit and loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as:

- Fair value hedges when hedging the exposure to changes in the fair value of a recognized asset or liability or an unrecognized firm commitment
- Cash flow hedges when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging/ economic relationship, the hedged item or transaction, the nature of the risk being hedged, hedge ratio and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated.

Hedges that meet the strict criteria for hedge accounting are accounted for, as described below:

(i) Fair value hedges

The change in the fair value of the hedged item attributable to the risk hedged is recorded as part of the carrying value of the hedged item and is also recognized in the Statement of profit and loss as finance costs. The Company has not undertaken Fair value hedges.

(ii) Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Statement of profit and loss. The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognized in statement of profit and loss.

Amounts recognized in OCI are transferred to the Statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized in OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognized in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

i. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

j. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

k. Income tax

Current income-tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside the Statement of profit and loss is recognized outside the Statement of profit and loss (either in OCI or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside the Statement of profit and loss is recognized outside the Statement of profit and loss (either in other comprehensive income or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

l. Leases

Company as a lessee

The Company lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

m. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the Statement of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

The Company assesses where climate risks could have a significant impact, such as the introduction of emission-reduction legislation that may increase manufacturing costs. These risks in relation to climate-related matters are included as key assumptions where they materially impact the measure of recoverable amount. These assumptions have been included in the cash-flow forecasts in assessing value-in-use amounts.

n. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Warranty provisions

Provisions for warranty-related costs are recognized when the product is sold or service provided to the customer. Initial recognition is based on management estimate. The initial estimate of warranty related costs is revised annually.

Provision for onerous contracts

If the Company has a contract that is onerous, the present obligation under the contract is recognized and measured as a provision. However, before a separate provision for an onerous contract is established, the Company recognizes any impairment loss that has occurred on assets dedicated to that contract.

An onerous contract is a contract under which the unavoidable costs (i.e., the costs that the Company cannot avoid because it has the contract) of meeting the obligations under the contract exceed the economic benefits expected to be received under it. The unavoidable costs under a contract reflect the least net cost of exiting from the contract, which is the lower of the cost of fulfilling it and any compensation or penalties arising from failure to fulfil it. The cost of fulfilling a contract comprises the costs that relate directly to the contract (i.e., both incremental costs and an allocation of costs directly related to contract activities).

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

o. Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India, which requires contributions to be made to a separately administered fund.

The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method.

Remeasurements, 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

Past service costs are recognized 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 recognizes related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognizes 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

Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. The Company presents the leave as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

p. Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has identified the Chief Executive Officer (CEO) of the Company as the chief executive decision maker of the Company.

q. Contingent liability

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

r. Earnings Per Share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

3. Significant accounting judgments, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3.1 Judgements

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

i) Revenue recognition on construction contracts

A significant portion of the Company's business relates to construction of assets which are accounted using percentage-of-completion method, recognizing revenue as the performance on the contract progresses. This requires Management to make judgement with respect to identifying contracts which need to be accounted under percentage-of-completion method, depending upon the level of customization and the period of the fulfilment of the performance obligations under the contract. The percentage-of-completion method requires Management to make significant estimates of the extent of progress towards completion including accounting of multiple contracts which need to be combined and considered as a single contract.

ii) Segment reporting

Ind AS 108 Operating Segments requires Management to determine the reportable segments for the purpose of disclosure in financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

The Board of Directors has determined that the CODM is the Chief Executive Officer of the Company, based on its internal reporting structure and functions of the Company. Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Manager to assess performance and allocate resources. The management has determined that some of the segments exhibit similar economic characteristics and meet other aggregation criteria and accordingly aggregated into one reportable segment i.e. Industrial Infra.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions 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.

i. EPC contracts:

- **Provisions for liquidated damages claims (LDs):** The Company provides for LD claims where there have been significant contract delays and it is considered probable that the customer will successfully pursue such a claim. This requires an estimate of the amount of LDs payable under a claim which involves a number of management judgements and assumptions regarding the amounts to recognize.

- **Project cost to complete estimates:** At each reporting date, the Company is required to estimate costs to complete on fixed-price contracts. Estimating costs to complete on such contracts requires the Company to make estimates of future costs to be incurred, based on work to be performed beyond the reporting date. This estimate will impact revenues, cost of sales, work-in-progress, billings in excess of costs, estimated earnings and accrued contract expenses.

- **Recognition of contract variations:** The Company recognises revenues and margins from contract variations where it is considered probable that they will be awarded by the customer and this requires management to assess the likelihood of such an award being made by reference to customer communications and other forms of documentary evidence

- **Provision for onerous contracts:** The Company provides for future losses on contracts where it is considered highly probable that the contract costs are likely to exceed revenues in future years. Estimating these future losses involves a number of assumptions about the achievement of contract performance targets and the likely levels of future cost escalation over time.

ii. Defined benefit plans - gratuity

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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 and mortality rates. 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 which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

iii. Impairment of financial assets

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgement in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, the Company uses a provision matrix to determine ECL impairment allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates a default rate of total revenue for trade receivables and contract revenue for contract assets. The Company follows provisioning norms based on ageing of receivables to estimate the impairment allowance under ECL.

For retention receivables, the Company additionally categorizes the receivables due from Public Sector Undertakings (PSUs) and Non-PSUs and follows a wider aged bucket provisioning norms as the performance guarantee tests require certain time period after the supplies are completed.

4 a) Property, Plant and Equipment

Particulars	Office equipment	Computer	Furniture & fixtures	Total
Gross carrying amount				
As at March 31, 2023	**10.00**	**90.99**	**2.48**	**103.47**
Additions	73.78	58.89	-	132.67
Disposals	-	-	-	
As at March 31, 2024	83.78	149.88	2.48	236.14
Additions	43.97	6.01	-	49.98
Disposals	-	-	-	-
As at March 31, 2025	**127.75**	**155.89**	**2.48**	**286.12**
Accumulated depreciation				
As at March 31, 2023	**9.50**	**2.47**	**0.06**	**12.03**
Charge for the year	70.09	24.41	0.16	94.66
Disposals	-	-	-	-
As at March 31, 2024	**79.59**	**26.88**	**0.22**	**106.69**
Charge for the year	41.81	35.99	0.16	77.96
Disposals	-	-	-	-
As at March 31, 2025	**121.40**	**62.87**	**0.38**	**184.65**
Net Block				
As at March 31, 2025	**6.35**	**93.02**	**2.10**	**101.47**
As at March 31, 2024	**4.19**	**123.00**	**2.26**	**129.45**

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

4 (b) Intangible assets

Particulars	Computer software	Total
Gross carrying amount		
As at March 31, 2023	**25.00**	**25.00**
Additions	11.65	11.65
Disposals	-	-
As at March 31, 2024	**36.65**	**36.65**
Additions	-	-
Disposals	-	-
As at March 31, 2025	**36.65**	**36.65**
Accumulated amortisation		
As at March 31, 2023	**1.28**	**1.28**
Charge for the period	9.22	9.22
Disposals	-	-
As at March 31, 2024	**10.50**	**10.50**
Charge for the period	11.60	11.60
Disposals	-	-
As at March 31, 2025	**22.10**	**22.10**
Net Block		
As at March 31, 2025	**14.55**	**14.55**
As at March 31, 2024	**26.15**	**26.15**

5(a) Trade receivables

	As at March 31, 2025	As at March 31, 2024
Trade receivables from:		
i) Related parties (Refer note 33)	-	-
ii) Other than related party	221.71	448.62
Total receivables	**221.71**	**448.62**
Break up of security details		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	277.14	448.62
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	277.14	448.62
Less: - Impairment allowance	(55.43)	-
Total	**221.71**	**448.62**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner a director or a member.

The ageing of non-current trade receivables:

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) Undisputed Trade Receivables- considered good	277.14	-	-	-	-	-	277.14
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment allowance							(55.43)
Total							**221.71**

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024							
(i) Undisputed Trade Receivables- considered good	448.62	-	-	-	-	-	448.62
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment allowance							-
Total							**448.62**

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

5 (b) Current trade receivables

	As at March 31, 2025	As at March 31, 2024
Trade receivables from:		
i) Related parties (Refer note 33)	3,397.45	1,475.98
ii) Other than related party	9,466.33	7,258.21
Total	**12,863.78**	**8,734.19**
Break up of security details		
Trade receivables		
Secured, considered good	-	-
Unsecured, considered good	13,865.70	8,896.27
Trade Receivables which have a significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	13,865.70	**8,896.27**
Less: Impairment allowance	**(1,001.92)**	**(162.08)**
Total	**12,863.78**	**8,734.19**

Pursuant to an arrangement with a bank, the Company has sold to the bank certain trade receivables on a non-recourse basis. The receivables sold were mutually agreed upon with the respective bank after considering the creditworthiness and contractual terms with 2 customers. The Company has transferred substantially all the risks and rewards of ownership of such receivables sold to the respective bank, and accordingly, the same were derecognized in the Balance Sheet. As at 31 March 2025, the amount of trade receivables de-recognised pursuant to the aforesaid arrangement of INR 42,207.71 lacs (March 31, 2024: Rs. Nil).

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade or other receivable are due from firm or private companies respectively in which any director is a partner a director or a member.

All outstanding balances are unsecured and repayable in cash. Trade receivables are non-interest bearing and are generally on terms of 5-21 days.

For term and conditons relating to related party receivables, Refer Note 33

The ageing of current trade receivables

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) Undisputed Trade Receivables- considered good	9,001.19	2,778.27	881.41	1,160.83	-	-	13,821.70
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment allowance							(1,001.92)
Add: Unbilled Trade Receivables							**44.00**
Total							**12,863.78**

The ageing of current trade receivables :

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months- 1 year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024							
(i) Undisputed Trade Receivables- considered good	6,370.24	2,141.38	384.65	-	-	-	8,896.27
(ii) Undisputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) Undisputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
(iv) Disputed Trade Receivables- considered good	-	-	-	-	-	-	-
(v) Disputed Trade Receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed Trade Receivables - credit impaired	-	-	-	-	-	-	-
Less: Impairment allowance							(162.08)
Total							**8,734.19**

5 (c) Set out below is the movement in impairment allowance for trade receivable and contract assets measured using life time expected credit loss model (pursuant to Ind AS 109):

	March 31, 2025		March 31, 2024	
	Provisions on Trade Receivables	Provisions on contract assets	Provisions on Trade Receivables	Provisions on contract assets
At the beginning of the year	162.08	132.57	11.44	24.02
Add: Provisions made during the year	853.84	167.60	150.64	108.55
Less: Utilized/ reversed during the year	(14.00)	-	-	-
At the end of the year	**1,001.92**	**300.17**	**162.08**	**132.57**

Also refer note 33 for impairment provision on related party balances.

6 Income Taxes

The major components of income tax expense for the period March 31, 2025 and 31 March 2024 are:

a) Statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Current income tax charge	-	-
Adjustment of tax relating to earlier periods	134.87	-
Deferred tax relating to origination and reversal of temporary differences	-	10.63
Income tax expense reported in the Statement of profit and loss	**134.87**	**10.63**

(b) Other Comprehensive Income

Particulars	March 31, 2025	March 31, 2024
Deferred tax related to items recognized in other comprehensive income during the year	-	-
Net Loss/(Gain) on re-measurement of defined benefit plans	-	-
Income tax charged to Other Comprehensive Income	**-**	**-**

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31 2024

Particulars	March 31, 2025	March 31, 2024
Accounting profit before tax	(9,399.24)	(1,712.15)
At India's statutory income tax rate of 25.17% (March 31, 2024 : 25.17%)	(2,365.79)	(430.95)
Deferred tax not recognized on current year loss	2,365.79	441.58
At the effective Tax rate of 25.17%	**-**	**10.63**
Income tax expense reported in the Statement of profit or loss	**134.87**	**10.63**

The Company has assessed the availability of probable future taxable profits against future taxable income as at March 31, 2025, given the Company has incurred significant losses on account of technological challenges and project delays. The Company has not recognized deferred tax asset over and above the deferred tax liability on conservative basis.

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

7 Deferred tax

(a) Statement of Profit and Loss

	March 31, 2025	March 31, 2024
Deferred tax relates to the following:		
Accelerated depreciation for tax purpose	-	(1.72)
Provision for doubtful receivables	-	8.92
Items allowed on payment basis/ temporary disallowances	-	3.43
Deferred Tax Expense/(Income) in the Statement of Profit and Loss	**-**	**10.63**

(b) Reconciliation of deferred tax assets

	As at March 31, 2025	As at March 31, 2024
Opening balance as of 1 April	-	10.63
Tax expense / (income) during the period recognised in profit or loss	-	(10.63)
Tax expense / (income) during the period recognised in OCI	-	-
Closing balance as at 31 March	**-**	**-**

8 Current Investments

	As at March 31, 2025	As at March 31, 2024
Investments at Fair value through Profit and Loss		
Units in mutual fund (quoted)	395.38	1,315.89
Total	**395.38**	**1,315.89**
Aggregate amount of quoted investments	395.38	1,315.89
Aggregate amount of unquoted investments (book value)	-	-
Aggregate amount of unquoted investments (market value)	-	-
Aggregate amount of impairment in the value of investments	-	-

Investments at fair value through profit or loss reflect investment in quoted debt securities. Refer note 34 for determination of their fair values

9 Cash and cash equivalents

	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents *		
Balances with banks		
- in current accounts	73.03	192.14
Total	**73.03**	**192.14**

* There are no restriction on use of above cash and cash equivalent

10 Loans

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
At amortised cost		
Employee loan	-	0.06
Total	**-**	**0.06**

11 Other financial assets

	As at March 31, 2025	As at March 31, 2024
Unbilled revenue (contract asset) *	234.06	2,817.15
Other recoverable ^	118.27	247.95
Total	**352.33**	**3,065.10**

* Unbilled revenue is net of impairment allowance of Rs. 300.17 (March 31, 2024 : Rs. 132.57).

^ Includes amount backcharged for employee and site costs recoverable (refer note 33)

12 Other current assets

	As at March 31, 2025	As at March 31, 2024
Unsecured considered good		
Advances to suppliers		
(i) Related parties (Refer note 33)	18.27	480.11
(ii) Others	728.24	2,361.42
Advances to employees	45.41	71.66
Prepayments	17.24	39.26
Balances with government authorities	3,721.19	1,104.35
Prepaid employee benefit (refer note 32)	-	19.18
Total	**4,530.35**	**4,075.98**

There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which a director is a partner or a member.

13 Share capital

	As at March 31, 2025	As at March 31, 2024
Authorized shares		
50,000,000 (March 31, 2024: 10,000,000) equity shares of Rs. 10/- each	5,000	1,000
	5,000	**1,000**
Issued, subscribed and fully paid share capital		
25,000,000 (March 31, 2024: 5,000,000) equity shares of Rs. 10/- each	2,500	500
Total issued, subscribed and fully paid-up share capital	**2,500**	**500**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the period

	Equity Shares (Nos.)	Amount
Equity share of Rs. 10 each issued, subscribed and fully paid		
At March 31, 2023	5,000,000	500
Changes during the year	-	-
At March 31, 2024	**5,000,000**	**500**
Changes during the year	20,000,000	2,000.00
At March 31, 2025	**25,000,000**	**2,500.00**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of

the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by holding company

	As at March 31, 2025	As at March 31, 2024
Holding company		
Thermax Limited	1,625	325
1,62,50,000 (March 31, 2024: 32,50,000) equity shares of Rs. 10/- each fully paid		

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2025	As at March 31, 2024
Thermax Limited		
%	65	65
No. of shares	16,250,000	3,250,000
Everenviro Resource Management Private Limited		
%	35	35
No. of shares	8,750,000	1,750,000

(e) Details of equity shares held by promoters

	As at March 31, 2025	As at March 31, 2024
Thermax Limited		
%	65	65
No. of shares	16,250,000	3,250,000
Everenviro Resource Management Private Limited		
%	35	35
No. of shares	8,750,000	1,750,000

(f) There were no buy back of shares/issue of shares for consideration other than cash during the period preceding the reporting date.

14 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Reserves and Surplus		
Retained earnings		
Opening balance	(1,630.17)	110.06
Add: (Loss) for the period	(9,534.11)	(1,722.78)
Less: Transaction costs for issued share capital	(38.00)	-
Movement during the year	**(11,202.28)**	**(1,612.72)**
Items of other comprehensive income recognized directly in retained earnings:		
Re-measurement (loss) on defined benefit plans (net of tax) March 31, 2025 Rs.Nil, (March 31, 2024 - Rs.Nil)	(14.55)	(17.45)
Net surplus in the statement of profit and loss	**(11,216.83)**	**(1,630.17)**
Other Reserves		
Opening Balance	5.78	-
Add: Compensation for options granted during the year	9.00	5.78
Less: Exercise of share options	(5.78)	-
Closing balance	9.00	5.78
Total	**(11,207.83)**	**(1,624.39)**

14.1 Share based payment reserve

Pertains to equity settled share based payment plan issued by Parent Company for certain categories of employees of the Company (refer note 36)

14.2 Retained Earning

Retained earnings are the profits/(loss) that the Company has earned/ incurred till date. Retained earnings include re-measurement (loss) on defined benefit plans, net of taxes that will not be reclassified to Statement of Profit and Loss.

15 Short term borrowing

	As at March 31, 2025	As at March 31, 2024
Loan repayable on demand (from bank)		
Bank overdraft (secured)*	248.94	-
Total	**248.94**	**-**

* The bank overdraft is secured by a charge on Company's current assets and it is payable on demand and carries an annual interest rate of 9.25%.

16 Current Provisions

	As at March 31, 2025	As at March 31, 2024
Provisions for employee benefits		
Leave Encashment	126.84	86.08
Gratuity (Refer note 32)	2.74	-
Provision for warranty	117.12	8.50
Provision for onerous contract	1,246.94	429.69
Total	**1,493.64**	**524.27**

Movement in provisions

Particulars	Provision for onerous contracts	Provision for warranties
As at April 1, 2024	429.69	8.50
Additional provision recognised	817.25	108.62
Unused amounts reversed	-	-
Utilised during the year	-	-
As at March 31, 2025	**1,246.94**	**117.12**
Breakup of provisions:		
Current	1,246.94	117.12
Non-current	-	-
Total	**1,246.94**	**117.12**

17 (a) Non current trade payables - At Amortised cost

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises (Refer note 17(c))	-	-
Total outstanding dues of creditors other than micro and small enterprises:		-
(i) Related parties (Refer note 33)	-	-
(ii) Others	184.93	84.25
Total	**184.93**	**84.25**

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

The ageing of Non-current trade payables which are due for payment :

Particulars	Not Due	Outstanding for the following period from due date of payments				Total
		Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025						
(i) Outstanding dues of micro and small enterprises	-	-	-	-	-	-
(ii) Outstanding dues of creditors other than micro and small enterprises	184.93	-	-	-	-	184.93
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	**184.93**	**-**	**-**	**-**	**-**	**184.93**
Unbilled trade payables						-
Total						**184.93**

The ageing of Non current trade payables which are due for payment :

Particulars	Not Due	Outstanding for the following period from due date of payments				Total
		Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024						
(i) Outstanding dues of micro and small enterprises	-	-	-	-	-	-
(ii) Outstanding dues of creditors other than micro and small enterprises	84.25	-	-	-	-	84.25
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	**84.25**	**-**	**-**	**-**	**-**	**84.25**
Unbilled trade payables						-
Total						**84.25**

17 (b) Current trade payables

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises (Refer note 17(c))	5,966.51	3,254.45
Total outstanding dues of creditors other than micro and small enterprises:		
(i) Related parties (Refer note 33)	4,530.49	60.03
(ii) Others	5,540.96	4,764.30
Total	**16,037.96**	**8,078.78**

For terms and conditions with related parties, refer note 33.

Trade payables are non-interest bearing and are generally on terms of 15-90 days.

The Ageing of current trade payables which are due for payment

Particulars	Not Due	Outstanding for the following period from due date of payments				Total
		Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025						
(i) Outstanding dues of micro and small enterprises	4,523.44	1,290.49	152.58	-	-	5,966.51
(ii) Outstanding dues of creditors other than micro and small enterprises	4,395.13	4,692.39	68.28	-	-	9,155.80
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	**8,918.57**	**5,982.88**	**220.86**	**-**	**-**	**15,122.31**
Unbilled trade payables						915.65
Total						**16,037.96**

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Outstanding for the following period from due date of payments				Total
		Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2024						
(i) Outstanding dues of micro and small enterprises	2,552.91	625.15	76.39	-	-	3,254.45
(ii) Outstanding dues of creditors other than micro and small enterprises	1,414.45	898.85	32.05	-	-	2,345.35
(iii) Disputed dues of micro and small enterprises	-	-	-	-	-	-
(iv) Disputed dues of creditors other than micro and small enterprises	-	-	-	-	-	-
Total	**3,967.36**	**1,524.00**	**108.44**	**-**	**-**	**5,599.80**
Unbilled trade payables						2,478.98
Total						**8,078.78**

17 (c) Details of dues to micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006.

	Particulars	As at March 31, 2025	As at March 31, 2024
i)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount outstanding (whether due or not) to micro and small enterprises	5,964.85	3,204.66
	- Interest due thereon	1.66	49.79
ii)	The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year		
iii)	The amount of payment made to the supplier beyond the appointed day during the period	7,272.57	9,151.14
iv)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	58.88	34.09
v)	The amount of interest accrued and remaining unpaid at the end of each accounting year	60.54	49.79
vi)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	110.53	49.79

* Information in this regard is on basis of intimation received, on requests made by the Company, with regards to registration of vendors under the said Act.

18 Other financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Derivative instruments at fair value throught profit or loss		
Derivative not designated as hedges		
Foreign exchange forward contracts	16.26	20.67
At amortized cost		
Employee related payables	138.03	100.12
Other payables	0.05	0.01
Total	**154.34**	**120.80**

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

19 Other current liabilities

	As at March 31, 2025	As at March 31, 2024
Unearned revenue	7,525.73	2,878.63
Customer advances		
(i) Related parties (Refer note 33)	195.38	228.14
(ii) Others	1,573.59	7,514.07
Statutory dues and other liabilities*	155.90	165.32
Total	**9,450.60**	**10,786.16**

* mainly includes tax deducted at source, provident fund, etc.

20 Revenue from operations

(a) Revenue from contracts with customers:

	March 31, 2025	March 31, 2024
Revenue from projects	56,943.16	26,459.53
Revenue from services	28.00	-
Total revenue from contracts with customers (a)	**56,971.16**	**26,459.53**

(b) Other operating revenue

	March 31, 2025	March 31, 2024
Exchange fluctuation gain (net)	4.03	(37.88)
Sale of Scrap	5.13	-
Total other operating revenue (b)	**9.16**	**(37.88)**
Total revenue from operations (a + b)	**56,980.32**	**26,421.65**

(c) Disclosure Pursuant to IND AS 115: Revenue from Contract with Customers

(i) By category of contracts

	March 31, 2025	March 31, 2024
Over a period of time basis	56,943.16	26,459.53
At a point-in-time basis	28.00	-
Total revenue from contracts with customers	**56,971.16**	**26,459.53**

ii) Contract balances

The following table provides information about contract balances from contracts with customers as at the reporting date:

	March 31, 2025	March 31, 2024
Trade receivables (Refer note 5)	13,085.49	9,182.81
Unbilled revenue (Contract asset) (Refer note 11)	234.06	2,817.15
Unearned revenue (Contract liability) (Refer note 19)	7,525.73	2,878.63
Customer advances (Contract liability) (Refer note 19)	1,768.97	7,742.21

Contract assets primarily relate to the Company's rights to consideration for work completed but not billed at the reporting date on from projects and customised contracts. The Contract assets are transferred to Trade receivables on completion of milestones and its related invoicing.

The Contract liabilities relate to the unearned revenue and advance consideration received from customers and performance obligations still to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company's cash position on specific projects.

iii) Revenue recognised in the reporting year that was included in the contract liability balance at the beginning of the year

	March 31, 2025	March 31, 2024
Unearned revenue	2,534.29	1,489.16
Customer advance	4,686.54	2,065.85

iv) Changes in unbilled revenue and unearned revenue for the year

The explanation of the significant changes in the contract asset and the contract liability balances during the reporting period is presented in the table below

	As at March 31, 2025	As at March 31, 2024
Opening unbilled revenue	2,817.15	548.86
Opening unearned revenue	2,878.62	1,489.16
- Transfer of contract assets to receivable from opening unbilled revenue	(2,817.15)	(548.86)
- Increase in revenue as a result of changes in the measure of progress from the opening unearned revenue	2,534.29	1,489.16
- Transfer of contract assets to receivable	(61,862.52)	(25,263.96)
- Increase in revenue as a result of changes in the measure of progress	54,408.00	24,880.37
- Onerous loss during the period	673.31	429.69
- Impairment allowance for the period.	(167.60)	(108.55)
Closing unbilled revenue (Refer note 11)	234.06	2,817.15
Closing unearned revenue (Refer note 19)	7,525.73	2,878.62

v) Performance obligations

Performance obligation in project or a group of projects which are contracted at or near same time with the same or related parties and negotiated simultaneously, are combined for the purpose of evaluation. The Company has estimated that multiple commitments pertaining to engineering procurement and commissioning of such projects is a single performance obligation which is spread over different accounting periods.

There are no major contracts with customers which have significant financing component included within them and therefore there is no difference between the timing of satisfaction of performance obligation vis a vis the timing of the payment.

vi) Remaining performance obligations

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts that have an original expected duration of one year or less.

(vii) Reconciliation between revenue recognised in Statement of profit and loss and contract price

There is no significant variation between revenue recognised in Statement of profit and loss and contract price except price variation claims, which are considered to be part of contract price.

21 Other income

	March 31, 2025	March 31, 2024
Interest income	18.12	5.48
Fair value gain on financial instrument at fair value through profit and loss (net)	114.19	45.08
Miscellaneous income #	38.84	4.20
Total	**171.15**	**54.76**

majorly includes insurance claim received of Rs. 36.87 (March 31, 2024 - Rs. Nil)

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

22 Cost of raw material and components consumed

	March 31, 2025	March 31, 2024
Inventories at the beginning of the period	-	-
Add: Purchases	45,029.93	17,507.63
Inventories at the end of the period	-	-
Total	**45,029.93**	**17,507.63**

23 Employee benefits expense

	March 31, 2025	March 31, 2024
Salaries, wages bonus	2,077.68	1,338.31
Contribution to provident and other funds	157.25	98.19
Gratuity expenses (Refer note 32)	45.47	30.08
Staff welfare expenses	38.58	26.22
Employee share based payment expenses (Refer note 36)	9.00	5.78
Total	**2,327.98**	**1,498.58**

24 Finance costs

	March 31, 2025	March 31, 2024
Interest expense	82.28	56.24
Total	**82.28**	**56.24**

25 Depreciation and amortisation expense

	March 31, 2025	March 31, 2024
Depreciation on property, plant and equipment (Refer note 4 (a))	77.96	94.66
Amortization of intangible assets (Refer note 4 (b))	11.60	9.22
Total	**89.56**	**103.88**

26 (a) Other expenses

	March 31, 2025	March 31, 2024
Consumption of stores and spare parts	2.75	2.43
Drawing, Design and Technical Service Charges	230.74	151.34
Site expenses and contract labour charges	16,205.26	7,648.45
Rent (Refer note 30)	370.35	126.37
Insurance	54.29	108.75
Repairs and maintenance		
- Others	24.65	15.33
Travelling and conveyance	180.14	170.31
Legal and professional fees (includes payment to auditors; Refer note 26 (b))	565.33	291.86
Provision for impairment allowance of financial assets	1,062.86	259.20
Provision for doubtful advances	38.39	106.72
Warranty Expenses	108.62	8.50
Miscellaneous expenses (includes printing and stationary, communication, etc.)	177.58	132.97
Total	**19,020.96**	**9,022.23**

26 (b) Payment to auditors

	March 31, 2025	March 31, 2024
As auditor		
- Statutory audit fee	19.60	21.23
- Reimbursement of expenses	0.72	0.69
Total	**20.32**	**21.92**

27 Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve in equity (net of income tax) is shown below:

	March 31, 2025	March 31, 2024
Re-measurement (losses)/gains on defined benefit plans	(14.55)	(17.45)
Total	**(14.55)**	**(17.45)**

28 Earnings Per Share (EPS)

	March 31, 2025	March 31, 2024
Net (loss)/ profit attributable to the equity shareholders of the Company	(9,534.11)	(1,722.78)
Weighted average number of equity shares of Rs. 10/- each (Nos.)	19,082,192	5,000,000
Basic and diluted EPS	(49.96)	(34.46)

29 Contingent liabilities

The Company has issued various guarantees for performance, advances etc. The management has considered the probability for outflow of the same to be remote and accordingly no amounts has been disclosed here.

30 Capital and other commitments

a) Estimated amount of contracts remaining to be executed on capital account (net of advance) and not provided for is Nil (March 31, 2024 - Nil)

b) Lease commitments

i) Company as lessee

The Company has taken office building on cancellable operating lease. Lease rentals are charged to the Statement of profit and loss for the period. The lease is renewable on mutually agreeable terms. At the expiry of the lease term, the company has an option to terminate the agreement or extend the term by giving notice in writing. Since the contract is a cancellable contract, the entity has elected to apply the exemption available under Ind AS 116 and has recognised the lease payments associated with those leases as an expense. Refer note 26(a).

	March 31, 2025	March 31, 2024
Lease payments for the year	34.05	34.05
Future minimum lease rental payables under cancellable operating leases are as follows:	-	-
Within one year	34.05	34.05
After one year but more than five years	-	-
More than five years	-	-

31 Segment reporting

The Company's portfolio includes technology, engineering, procurement and construction services for Bio-CNG plants. The CEO of the Company has been identified as the Chief Operating Decision Maker (CODM). For management purposes, the Company reports the details of operating segments as single segment for "Industrial Infra". The CODM reviews the information for this single segment only. Accordingly, the Company has provided only geographical segment disclosures.

Information of geographical areas-

Sales revenue by geographical markets

	March 31, 2025	March 31, 2024
Within India	56,971.16	26,459.53
Outside India	-	-
Total	**56,971.16**	**26,459.53**

Revenue of Rs. 49,824.19 (March 31, 2024 Rs. 23,735.53) is derived from one customer (March 31, 2024 three customers) of the company that contributed more than 10% of the total revenue in current period.

32 Gratuity

The Company operates a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed at least specified years of service gets a gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The scheme is funded with an insurance Company. The fund has formed a trust and it is governed by the Board of Trustees.

The fund is subject to risks such as asset volatility, changes in assets yields and asset liability mismatch risk. In managing the plan assets, Board of Trustees review and manage these risks associated with the funded plan. Each year, the Board of Trustees reviews the level of funding in the gratuity plan. Such a review includes asset-liability matching strategy and investment risk management policy (which includes contributing to plans that invest in risk-averse markets). The Board of Trustees aim to keep annual contributions relatively stable at a level such that no plan deficits (based on valuation performed) will arise.

I Changes in the net benefit obligation and fair value of plan assets are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
As at April 01, 2023	**(69.90)**	**9.77**	**(60.13)**
Current service cost	(21.86)	-	(21.86)
Interest expense / income	(5.49)	5.76	0.27
Transfer In	(8.49)	-	(8.49)
Total amount recognised in the Statement of profit and loss	**(35.84)**	**5.76**	**(30.08)**
Experience adjustments	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(9.63)	-	(9.63)
Return on plan assets		(7.82)	(7.82)
Total amount recognised in Other Comprehensive Income	**(9.63)**	**(7.82)**	**(17.45)**
Transfer In	-	61.84	61.84
Employer contributions	-	65.00	65.00
March 31, 2024	**(115.37)**	**134.55**	**19.18**

Particulars	Present value of obligation	Fair value of plan assets	Net amount
April 1, 2024	**(115.37)**	**134.55**	**19.18**
Current service cost	(41.47)	-	(41.47)
Interest expense / income	(7.37)	9.83	2.46
Transfer In	(6.46)	-	(6.46)
Total amount recognised in the Statement of profit and loss	**(55.30)**	**9.83**	**(45.47)**
Experience adjustments	-	-	-
Actuarial (gain)/loss from change in financial assumptions	(14.06)	-	(14.06)
Return on plan assets	-	(0.49)	(0.49)
Total amount recognised in Other Comprehensive Income	**(14.06)**	**(0.49)**	**(14.55)**
Transfer In	-	3.47	3.47
Employer contributions	34.63	-	34.63
March 31, 2025	**(150.10)**	**147.36**	**(2.74)**

II The net (asset)/liability disclosed above relates to funded plans are as follows :

	March 31, 2025	March 31, 2024
Present value of funded obligation	(150.10)	(115.37)
Fair value of plan assets	147.36	134.55
Surplus/(Deficit) of funded plan	**(2.74)**	**19.18**

III Significant estimates

The significant actuarial assumptions were as follows :

	March 31, 2025	March 31, 2024
Discount rate	6.70%	7.20%
Future salary growth rate	7.00%	7.00%
Normal retirement age	60 years	60 years
Mortality table	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Employee turnover	5% to 12%	5% to 12%

IV Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	Impact on defined benefit obligation	
	March 31, 2025	March 31, 2024
Discount rate		
1.00% increase	Decrease by 8.71	Decrease by 5.81
1.00% decrease	Increase by 9.76	Increase by 6.47
Future salary increase		
1.00% increase	Increase by 8.15	Increase by 5.30
1.00% decrease	Decrease by 7.42	Decrease by 4.84
Attrition Rate		
1.00% increase	Decrease by 0.15	Increase by 0.06
1.00% decrease	Increase by 0.17	Decrease by 0.07

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The following are the expected cash flows to the defined benefit plan in future years:

	March 31, 2025	March 31, 2024
Within next 12 months	17.24	24.50
Between 2-5 years	72.63	55.59
> 5 years	223.78	167.87

The average duration of the defined benefit plan obligation at the end of the reporting period is 11.24 years (March 31, 2024 - 11 years)

The Company expects to contribute Rs.3.70 (March 31, 2024 - Rs. 41) to the gratuity fund in the next year.

V The major categories of plan assets are as follows:

	March 31, 2025	March 31, 2024
Investments with Insurer (LIC of India)	100.00%	100.00%

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

33 Related party disclosures

Name of related parties and related party relationships

Related parties where control exists:

A Holding Company and Ultimate Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest		Type
			March 31, 2025	March 31, 2024	
1	RDA Holdings Private Limited	India	0%	0%	Ultimate holding company
2	Thermax Limited	India	65%	65%	Holding Company

B Entity with significant influence over the Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation	Ownership interest	
			March 31, 2025	March 31, 2024
1	Everenviro Resource Management Private Limited	India	35%	35%

C Transaction with related parties for the year ended March 31, 2025:

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Enernxt Private Limited	India
2	Thermax Cooling System Limited	India

D Key Management Personnel :

1 Mr. Rajendran Arunachalam - Director

2 Mr. B. C. Mahesh - Director

3 Mr. Kirtiraj Jilkar - Director

4 Mr. Basant Kumar Jain - Director (ceased to be director w.e.f. July 01, 2024)

5 Mr. Hemant Mohgaonkar - Director (ceased to be director w.e.f. November 27, 2024)

6 Mr. Deodatta Deshpande - Chief Executive Officer

7 Mr. Harish Tikotkar - Chief Financial Officer (ceased to be chief financial officer w.e.f. May 02, 2025)

8 Mr. Arun Unni - Additional Director (w.e.f. November 27, 2024)

9 Mr. Rajan Nair - Independent Director (w.e.f. October 23, 2024)

10 Mr. Anoop Kumar Poddar - Director (w.e.f. July 03, 2024)

11 Mr. Sandip Bikash Mukherjee - Independent Director (w.e.f. September 25, 2024)

12 Ms. Shruti Avinash Ghalsasi - Company Secretary (w.e.f. January 10, 2025)

13 Mr. Rohit Mittal - Chief Financial Officer (w.e.f. May 03, 2025)

E Transactions during the period

Particulars	Thermax Limited		Entity with significant influence over the company		Entities controlled by Holding Company		Key management personnel and individuals		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Issue of equity shares	1,300.00	-	700.00	-	-	-	-	-	2,000.00	-
Remuneration of Key Management Personnel	-	-	-	-	-	-	174.54	118.98	174.54	118.98
Director's sitting fees	-	-	-	-	-	-	4.6	-	4.60	-
Revenue from projects	-	-	5,207.29	8,089.85	-	-	-	-	5,207.29	8,089.85
Recovery of expenses	165.17	200.72	-	-	40.43	32.55	-	-	205.60	233.27
Purchase of project bought-out and components	6,279.51	194.48	-	-	-	-	-	-	6,279.51	194.48
Insurance	-	1.77	-	-	-	-	-	-	-	1.77
Legal and professional expenses	391.12	154.32	-	-	-	-	-	-	391.12	154.32
Reimbursement of expenses**	5.29	8.01	-	-	-	1.58	-	-	5.29	9.59
Rent expenses	34.05	34.05	-	-	-	-	-	-	34.05	34.05

**These amounts have been reimbursed to the Holding company

THERMAX BIOENERGY SOLUTIONS PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Balances as at the period-end

Particulars	Thermax Limited		Entity with significant influence over the company		Entities controlled by Holding Company		Key management personnel and individuals		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Trade receivables*	-	-	3,397.45	1,475.98	-	-	-	-	3,397.45	1,475.98
Other receivables	42.55	112.72	-	-	72.99	51.19	-	-	115.54	163.91
Trade payables	4,530.49	58.86	-	-	-	1.17	-	-	4,530.49	60.03
Advance to suppliers	18.27	480.11	-	-	-	-	-	-	18.27	480.11
Customer advances	-	-	195.38	228.14	-	-	-	-	195.38	228.14

* Before Impairment provision Rs. 383.07 (March 31, 2024: Rs. Nil)

F **Terms and conditions of related party transactions**

The sales to and purchases from related parties are assessed to be at arm's length transactions by the management. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash.

As at March 31, 2025 there have been performance bank guarantees provided to Everenviro Resource Management Private Limited amounting to Rs. 2,207.69 (March 31, 2024 Rs. 1,544.50). For the period ended March 31, 2025, the Company has recorded impairment of receivables of Rs. 383.07 (March 31, 2024: Rs.Nil) relating to amounts owed by related party. The assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

G The following provides total amount of related party transactions during the relevant financial year:

Particulars	March 31, 2025	March 31, 2024
Transactions during the year		
Recovery of expenses		
Thermax Limited, India	165.17	200.72
Enernxt Private Limited	40.43	32.55
Purchase of project bought-out and components		
Thermax Limited, India	6,279.51	194.48
Insurance		
Thermax Limited, India	-	1.77
Reimbursement of expenses		
Thermax Limited, India	5.29	8.01
Thermax Cooling Solutions Limited	-	1.58
Legal and professional expenses		
Thermax Limited, India	391.12	154.32
Rent expenses		
Thermax Limited, India	34.05	34.05
Revenue from Projects		
Everenviro Resource Management Private Limited	5,207.29	8,089.85
Remuneration to key management personnel		
Mr. Deodatta Deshpande	101.47	85.51
Mr. Harish Tikotkar	71.72	33.47
Ms. Shruti Ghalsasi	1.35	-
Director's sitting fees		
Mr. Sandip Bikash Mukherjee	2.30	-
Mr. Rajan Nair	2.30	-
Issue of equity shares		
Thermax Limited, India	1,300.00	-
Everenviro Resource Management Private Limited	700.00	-

Particulars	March 31, 2025	March 31, 2024
Balances as at the year end		
Other receivables		
Thermax Limited India	42.55	112.72
Enernxt Private Limited	72.99	36.75
Trade receivables		
Everenviro Resource Management Private Limited	3,397.45	1,475.98
Advances to suppliers		
Thermax Limited, India	18.27	480.11
Trade payables		
Thermax Limited, India	4,530.49	58.86
Customer advance		
Everenviro Resource Management Private Limited	195.38	228.14

34 Fair value measurements

a) Category of financial instruments and valuation techniques

Break-up of financial assets carried at amortised cost

	Note No.	As at March 31, 2025	As at March 31, 2024
Trade receivables	5 (a) and 5 (b)	13,085.49	9,182.81
Cash and cash equivalents	9	73.03	192.14
Loans	10	-	0.06
Other financial assets	11	352.33	3,065.10
Total		**13,510.85**	**12,440.11**
Current assets		13,289.14	11,991.49
Non-current assets		221.71	448.62
Total		**13,510.85**	**12,440.11**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Break up of financial liabilities carried at amortised cost

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Short term borrowing	15	248.94	-
Trade payable	17 (a) and (b)	16,222.89	8,163.03
Other liabilities	18	154.34	120.80
Total		**16,626.17**	**8,283.83**
Current and non current liabilities		16,626.17	8,283.83
Total		**16,626.17**	**8,283.83**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Details of financial assets carried at fair value through profit and loss:

	Note No.	As at March 31, 2025	As at March 31, 2024
Investments	8	395.38	1315.89
Total		**395.38**	**1315.89**
Current assets		395.38	1315.89
Non-current assets		-	-
Total		**395.38**	**1315.89**

The fair values of the quoted shares are based on price quotations at the reporting date and unquoted mutual funds are based on Net Asset Value as at the reporting date.

Details of derivative liabilities

	March 31, 2025	March 31, 2024
Derivative instruments		
Derivative not designated as hedges		
Foreign exchange forward contracts	16.26	20.67
Total	**16.26**	**20.67**
Current liabilities	16.26	20.67
Non-current liabilities	-	-
Total	**16.26**	**20.67**

The Company enters into derivative financial instruments in the nature of forward exchange contracts with banks. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs which captures credit quality of counterparties, foreign exchange spot and forward rates, yield curves of the respective currencies and currency basis spreads between the respective currencies. All derivative contracts are fully cash collateralised, thereby eliminating both counterparty and the Company's own non-performance risk. The changes in counterparty credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships and other financial instruments recognised at fair value.

a) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2025	395.38	-	-
Financial liabilities				
Derivative financial liabilities	March 31, 2025	-	16.26	-

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024

	Date of valuation	Level 1	Level 2	Level 3
Financial assets				
Investments				
Mutual funds	March 31, 2024	1,315.89	-	-
Financial liabilities				
Derivative financial liabilities	March 31, 2024	-	20.67	-

There has been no transfer between level 1 and level 2 during the year.

35 Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include loans, trade and other receivables and cash and cash equivalents that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's financial risk activities are governed by appropriate policies and procedures and the financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the value of an asset will fluctuate as a result of changes in market variables such as interest rates, foreign exchange rates and equity prices, whether those changes are caused by factors specific to the individual investment or its issuer or factors affecting all investments traded in the market.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution and industry concentration, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any borrowings and hence there is no exposure to the risk of changes in market interest rates.

b Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates.

The following table demonstrates the sensitivity to a reasonably possible change in EUR exchange rates, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of assets and liabilities. The impact is stated in Rupees (denominated in Lakh) below:

	March 31, 2025	March 31, 2024
Decrease in EUR rate by 1%	(4.84)	(17.72)
Increase in EUR rate by 1%	4.84	17.72

Favourable impact shown as positive and adverse impact as negative.

c Price risk

The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. These securities are quoted . The Company manages the price risk through diversification and by placing limits on individual and total mutual fund instruments. Further, the price risk is also mitigated by switching the

investment portfolio between investment in mutual fund instruments and investments in bank deposits. Reports on the investment portfolio are submitted to the Company's senior management on a regular basis. The Company's Board of Directors reviews and approves all investment decisions. The Company is not currently exposed significantly to such risk.

II 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 financing activities, including deposits with banks.

Trade receivables & contract assets

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes 5 (a) and (b) above. The charge of impairment to Statement of profit and loss is disclosed in note 24(a) above. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

Financial instruments and bank deposits

Credit risk from balances with banks and mutual funds is managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties having a good market reputation and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments. The Company's maximum exposure to credit risk for bank balances, mutual funds and deposits as at March 31, 2025 is the carrying amounts as disclosed in Note 8.

Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions.

The management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

Particulars	Less than 1 year	1 to 3 years	Total
Non-derivative			
As at March 31, 2025			
Trade payables (Refer note 17)	15,817.10	405.79	16,222.89
Other financial liabilities :			
- Employee related payables (Refer note 19)	138.03	-	138.03
- Other payables (Refer note 19)	0.05	-	0.05
Derivatives (net settled)	16.26	-	16.26
Foreign exchange forward contracts			
	15,971.43	**405.79**	**16,377.23**
Non-derivative			
As at March 31, 2024			
Trade payables (Refer note 17)	7,970.34	192.69	8,163.03
Other financial liabilities :			
- Employee related payables (Refer note 19)	100.12	-	100.12
- Other payables (Refer note 19)	0.01	-	0.01
Payable for purchase of property, plant and equipment & intangible assets		-	-
Derivatives (net settled)	20.67	-	20.67
Foreign exchange forward contracts			
	8,091.15	**192.69**	**8,283.83**

36 Share based payments

Employees Stock Option Plan 2021 (ESOP 2021)

The Parent Company approved Employee Stock Option Plan at their meeting in January 2022. Pursuant to this approval, the Parent Company instituted ESOP 2021 Plan in January 2022. The compensation committee of the Parent Company administers this Plan. Each option carries with it the right to purchase one equity share of the Parent Company. The Options have been granted to employees of the Company at an exercise price that is not less than the face value of shares as on date of grant of such option. Option Granted under ESOP 2021 shall vest not earlier than minimum period of 1 (One) year and not later than maximum period of 3 (Three) years from the date of Grant. The vesting of the options is 33%, 33% and 34% of total options granted after end of first, second and third year respectively from the date of grant.The maximum exercise period is 5 years from the date of vesting.

Number and weighted average exercise prices of options granted, exercised and cancelled/lapsed during the financial year

Particulars	March 31, 2025		March 31, 2024	
	No.of options	Weighted average exercise price per share (Rs.)	No.of options	Weighted average exercise price per share (Rs.)
Options outstanding at the beginning of the year	454	15.25	-	-
Granted during the year	233	15.25	454	15.25
Forfeited during the year	0	-	-	-
Exercised during the year	150	15.25	-	-
Lapsed during the year	0	-	-	-
Options outstanding at the end of year	537	15.25	454	15.25
Options exercisable at the end of the year	0	-	-	-

The weighted average remaining contractual life is as follows:

Particulars	March 31, 2025	March 31, 2024
Exercise price	Rs. 15.25 per share	Rs. 15.25 per share
Weighted average contractual life (years)	Ranging between 1.83 - 4.28 Years	Ranging between 1.83 - 1.90 Years
No. of Options	537	454

The fair value of each option is estimated on the date of grant using Black and Scholes option pricing model with the following assumptions:

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	March 31, 2025	March 31, 2024
1. Exercise price (Rs.)	15.25	15.25
2. Price of underlying share in the market at the time of option grant	Ranging between 2,139.45 - 4,485.35	Ranging between 2,139.45 - 2,415.85
3. Weighted average fair value of options granted (Rs)	Ranging between 2,107.61 - 4,384.98	Ranging between 2,105.39 - 2,379.45
4. Expected life of the option (years)	3-5	3-5
5. Risk free interest rate (%)	Ranging between 6.41% - 7.56%	Ranging between 6.53% - 7.05%
6. Expected volatility (%)	Ranging between 12.86% - 14.09%	Ranging between 12.86% - 13.14%
7. Dividend yield (%)	Ranging between 0.47% - 0.48%	0.48%

The Company recorded an employee compensation cost of Rs. 9.00 lakhs (March 31, 2024 : Rs 5.78) in the Statement of Profit and Loss.

The expected price volatility is based on the historic volatility, adjusted for any expected changes to future volatility due to publicly available information.

37 Key financial ratios

The following are analytical ratios for the period ended March 31, 2025 and March 31, 2024 :

Particulars	Numerator	Denominator	March 31, 2025	March 31, 2024	Variance	Reason for variance
Current Ratio	Current Assets	Current Liabilities	0.67	0.89	(25.35%)	Refer note 37 (a)
Debt to Equity ratio	"Total debt (including borrowings)*^"	Shareholder's Equity	(0.03)	-	(100.00%)	Refer note 37 (b)
Debt Service Coverage ratio	Net operating income^	Total debt service^^	(34.59)	-	100.00%	Refer note 37 (b)
Return on equity ratio	Profit after tax	Average shareholder's Equity	(1.94)	(6.70)	(71.05%)	Refer note 37 (c)
Trade receivable turnover ratio	Revenue from contracts with customers (Net credit sales)	Average Trade Receivables	5.12	5.06	1.08%	
Trade payables turnover ratio	Purchases# (Net credit)	Average Trade Payables	5.17	5.04	2.68%	
Net working capital turnover ratio	Revenue from contracts with customers (Net sales)	Working Capital *	(6.21)	(12.44)	(50.07%)	Refer note 37 (d)
Net Profit ratio	Profit after tax	Revenue from contracts with customers (Net sales)	(0.17)	(0.07)	157.03%	Refer note 37 (e)
Return on capital employed (ROCE)	Profit before tax and Finance Cost	Capital Employed **	(1.07)	(1.47)	(27.35%)	Refer note 37 (f)
Return on investment (ROI)	Interest (Finance Income)	Average investment	7.41%	2.34%	216.67%	Refer note 37 (g)

The Company does not have any inventory, hence inventory turnover ratio data have not been disclosed.

Explanations:

* Total Current Assets - Total Current Liabilities

** Total Equity + borrowings

Total Supplier purchases include project bought-outs, other expenses and staff welfare expenses

^Profit after tax + Finance cost + depreciation and amortization for the period

^^ Current borrowings + Interest Paid

*^ Total debt = Overdraft facility availed during the year

37 (a) Increase in payables and overdraft position at year end date has led to decrease in current ratio

37 (b) Company has overdraft position as at the year end which was positive in previous year

37 (c) Overrun in projects led to losses and corresponding drop in return on equity can be observed

37 (d) Increase in revenue from operation led to increase in net working capital turnover ratio considering reduction in cash balances and overdraft position at end of the year

37 (e) Increase in losses due to increase in overrun in projects led to decrease in net profit ratio

37 (f) Due to increase in net losses as compared to last year.

37 (g) Increase in investment in mutual fund and its realized profit led to increase in return on investment

38 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the period ended March 31, 2024 and March 31, 2025 Capital represents equity attributable to Equity holders of the Company.

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	March 31, 2025	March 31, 2024
Short term borrowings	248.94	-
Less: Cash and cash equivalents	(73.03)	(192.14)
Net debt	**175.91**	**(192.14)**
Equity	(8,707.83)	(1,124)
Capital and net debt	**(8,531.92)**	**(1,316.53)**
Gearing ratio	**(0.02)**	**(0.15)**

39 Other Statutory Information

(i) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

(ii) The Company do not have any transactions with companies struck off.

(iii) The Company has not been declared as a wilful defaulter by any bank or financial institution or any other lender.

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

(v) (A) The Company has not advanced or loaned or invested funds to any other person or entity, 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.

(B) The Company has not received any fund from any persons or entities, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company 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,

(vi) The Company has not made any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

(vii) (vii) The Company has availed working capital limits in excess of Rs. 500 lakhs in aggregate from banks during the year on the basis of security of current assets of the Company. The security is on the current assets of the Company.

40 Compliance with section 143(3)

40 (a) The Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. The Company has complied with the provision of section 143(3) of the act for maintenance of books of account

40 (b) The Company has used accounting software's for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. However, the audit trail feature is not enabled for changes made to master data in Oracle application and changes made to the underlying database using privileged/administrative access rights. Further no instance of audit trail feature being tampered with was noted in respect of accounting software. Additionally, the audit trail of prior year has been preserved as per the statutory requirements for record retention to the extent it was enabled and recorded in the respective year.

41 The Company has incurred losses during the current period. As at March 31, 2025, the Company has accumulated losses of Rs 11,207.82 lakhs which have significantly eroded the net worth of the Company. The Company also has net current liabilities as of March 31, 2025.

The Company has received a support letter from Thermax Limited which confirms its commitment to provide support to the Company. Hence, presently the Company has access to sufficient liquidity to discharge its liabilities as and when they become due. Besides, the Company has a healthy order book in hand and future business viability plan in place. Accordingly, these financial statements have been prepared on a going concern basis and consequently, no adjustments have been made to the carrying values or classification of balance sheet amounts.

42 Subsequent to year end date, the Company has alloted 13,000,000 shares for Rs.10 each at par to Thermax Limited on rights issue basis thereby increasing shareholding from 65% to 76.97%. Further, Company has also obtained waiver from Everenviro Resource Management Private Limited for their entitlement to the offered shares under this right issue.

As per our report of even date attached

For S R B C & CO LLP
Chartered Accountants
ICAI Firm Registration Number: 324982E/E300003

per Sumit Kumar Agrawal
Partner
Membership Number: 135859
UDIN:

Place: Pune
Date: May 09, 2025

For and on behalf of the Board of Directors of
Thermax Bioenergy Solutions Private Limited
CIN : U40107PN2022PTC213848

Rajendran Arunachalam
Director
DIN: 08446343

Arun Unni
Director
DIN: 10831177

Deodatta Deshpande
Chief Executive Officer

Rohit Mittal
Chief Financial Officer

Shruti Ghalsasi
Company Secretary

Place: Pune
Date: May 09, 2025

ENERNXT PRIVATE LIMITED

Board of Directors
Bhavesh Chheda (upto March 31, 2025)
Khushboo Bhatia
Deodatta Deshpande
Deepak Joshi (w.e.f. April 1, 2025)

Registered Office
Thermax House,
14, Mumbai – Pune Road,
Wakdewadi,Pune – 411003

Auditors
B. K. Khare & Co.
Chartered Accountants
Hotel Swaroop, 4th Floor, Lane No. 10,
Prabhat Road, Pune 411004

Key Managerial Personnel
Deepak Joshi (Chief Financial Officer)
(upto March 31, 2025)
Mandar Dandekar (Chief Financial Officer)
(w.e.f. April 1, 2025)
Ramkumar S. (Manager)
Kajal Kabra (Company Secretary)

Bankers
HSBC Bank

DIRECTORS' REPORT

Dear Shareholder,

The Directors present the Fourth Annual Report of the Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. lakh)

Particulars	2024-2025	2023-2024
Total income	1.23	24.90
Profit before depreciation and interest	(71.43)	(8.30)
Depreciation	-	-
Interest	-	-
Profit before tax	(71.43)	(8.30)
Provision for taxation (incl. deferred tax)	-	(0.37)
Profit after tax	(71.43)	(7.93)

STATE OF COMPANY'S AFFAIRS

Enernxt Private Limited was incorporated on 5th January 2021 and there was no commercial business activity during the year. The Company earned a total income of Rs 1.23 lakh mainly from other income sources.

During the Financial Year 2024-25, the Company has obtained regulatory approvals (11 out of 17 Approvals) from Government authorities for setting up the plant. Balance 6 approvals shall be received before Plant start up from Sep 25. Temporary Construction Power has been obtained & Permanent Power for Plant operation shall be available from June'25. Construction of the plant under progress.

The decision to set up its first Bio CNG plant in Punjab is to partially address the perennial problem of rice stubble burning in Punjab causing pollution issues in North India every year.

The company, in line with its green energy initiative, will set up more such Bio CNG plants in future. With the increased attention on climate change and planned progressive renunciation of coal and other fossil fuels, the market for agro-waste based CNG solutions is expected to grow steadily.

HEALTH AND SAFETY

The Company will ensure focused and continuous improvement on its Safety and Health standards.

MATERIAL CHANGES AFFECTNG FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the company.

DIVIDEND

The directors do not recommend any dividend on equity shares.

AMOUNT PROPOSED TO BE CARRIED TO RESERVES

The Company does not propose to carry any amount to reserves.

SHARE CAPITAL

During the year, the authorized share capital of the Company has increased from Rs. 25,00,00,000 to Rs. 35,00,00,000. Further, there is no change in subscribed, issued and paid up share capital of the Company which is Rs. 23,63,00,000 divided into 2,36,30,000 equity shares of Rs. 10 each as on March 31, 2025.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

PUBLIC DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company did not give any loan or make an investment pursuant to the provisions of Section 186 of the Companies Act, 2013.

BUSINESS RISK MANAGEMENT

The Company is in the business of supply of Bio CNG to OMC (oil manufacturing Companies) by producing the same in Bio CNG plant. It is susceptible directly and indirectly to govt. policies, global trends related to renewable energy and conservation of natural resources.

The Company follows a structured risk management process supported by a Risk Management framework to manage risks emanating from external factors and internal actions. Risk Management is ingrained in the operations of the various functions of the company.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal controls are reviewed by Internal Audit Department of the holding company on a periodical basis. Internal Audit is not applicable for the company as per section 138 of Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014.

KEY MANAGERIAL PERSONNEL (KMP)

During the year, Mr. Deepak Joshi, the Chief Financial Officer (CFO) and Key Managerial Personnel (KMP) of the Company, resigned on March 31, 2025. Following his resignation, the Board of Directors appointed Mr. Mandar Dandekar as the new CFO and KMP, effective April 1, 2025.

DIRECTORS

During the year, Mr. Bhavesh Chheda (DIN: 08558510) resigned w.e.f. March 31, 2025 and Mr. Deepak Joshi (DIN: 11004466) has been appointed as Additional Non- Executive Director by the Board of Directors w.e.f. April 1, 2025.

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Ms. Khushboo Bhatia (DIN: 09019736), Director retires by rotation and being eligible, offers herself for re-appointment.

BOARD MEETINGS

The Board met five times on April 26, 2024, July 23, 2024, October 24, 2024 January 23, 2025 and March 21, 2025 during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Details of meetings attended by the members are as follows:

ENERNXT PRIVATE LIMITED

Board Members	Dates of the Board Meeting				
	April 26, 2024	July 23, 2024	October 24, 2024	January 23, 2025	March 21, 2025
Mr. Bhavesh Chheda	P	P	P	P	P
Mr. Deodatta Deshpande	P	P	P	P	P
Ms. Khushboo Bhatia	A	P	P	A	P

P: Present A: Absent

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the company for that period;

(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors have prepared the annual accounts on a going concern basis; and

(e) The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

The Company follows the Secretarial Standards issued by the Institute of Company Secretaries of India on the Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2). The Company is in compliance with these secretarial standards.

RELATED PARTY TRANSACTIONS

All related party transactions (RPTs) that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

CONSERVATION OF ENERGY

The Company is in the business of supply of Bio CNG to OMCs. by producing the same in Plant. This activity directly helps to reduce Carbon Footprint.

TECHNOLOGICAL ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134(3)(m) of the Companies Act, 2013 is as follows:

	(Rs. in lakhs)
Foreign exchange earnings	NIL
Foreign exchange outgo	NIL

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, duly amended, in respect of employees of the company, will be provided upon request. In terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members and others entitled to receive it. Any shareholder interested in obtaining such particulars may write to the company secretary. The information is also available for inspection at the corporate office during working hours up to the date of the Annual General Meeting.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The company is committed to provide a safe and conducive work environment to its employees. There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

AUDITORS

B. K. Khare, Chartered Accountants, (Firm Registration No. 105102W) have been re- appointed as the Statutory Auditors of the Company for 2nd term of 5 years at its 2nd Annual General Meeting (AGM) held on July 24, 2023 upto the conclusion of 5th AGM of the Company.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

ANNUAL RETURN

The Company does not have any official website, hence provisions of Section 92(3) read with Section 134(3)(a) of the Companies Act, 2013 are not applicable.

RESTRICTION ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company its Directors or Key Managerial Personnel, for purchase or subscribe shares of the Company.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. During the year there is no instance of one-time settlement with any Bank or Financial Institution, during the year under review.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support extended by the company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of
Enernxt Private Limited

Pune, April 24, 2025

Khushboo Bhatia
Director
DIN: 09019736

Deepak Joshi
Director
DIN: 11004466

INDEPENDENT AUDITOR'S REPORT

To the members of EnerNxt Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **EnerNxt Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2024, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of material accounting policies and other explanatory information.

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, 2024, its loss and total comprehensive income, its changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information Other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors Report and the related annexures, but does not include the Financial Statements and our Auditors' 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 for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

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

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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

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

Report on other Legal and Regulatory requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2024 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2024 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) In our opinion, the Company did not paid/provided managerial remuneration to its directors during the year and hence the provisions of section 197 read with Schedule V to the Act are not applicable.

   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 does not have any pending litigations which would impact its financial position

      (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

   iv. (a) The management has represented that, to the best of its knowledge and belief, 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; and

      (c) Based on such audit procedures that we 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 any dividend during the year.

   (vi) Based on our examination which included test checks, the Company has used accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that, audit trail feature is not enabled for certain transactions including master data and direct changes to data when using certain privileged access rights, as described in note 35(b) to the financial statements. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with in respect of accounting software wherever these elements are enabled.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No.: 125657
UDIN No: 24125657BKESNB9215

Pune, April 26, 2024

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

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

We have audited the internal financial controls with reference to financial statements of **EnerNxt Private Limited** ("the Company") as of March 31, 2024 in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2024, based on the criteria for internal financial control with reference to financial statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No.: 125657
UDIN No: 24125657BKESNB9215

Pune, April 26, 2024

ENERNXT PRIVATE LIMITED

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

(1) i) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and investment properties.

ii) The property, plant and equipment and investment properties are physically verified by the Company once in two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment and investment properties. In accordance with the programme, the Company has physically verified property, plant and equipment during the financial year and no material discrepancies were noted on such verification.

iii) According to the information and explanations given to us and based on the audit procedures performed by us, the title deed of immovable property is held in the name of the Company.

iv) According to the information and explanations given to us, the Company has not revalued any of its property, plant and equipment (including Right of use assets) or intangible assets or both during the year.

v) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, 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.

2) i) According to the information and explanations given to us, the inventory comprising of Rice/paddy straw has been physically verified at reasonable interval by the management during the year. In our opinion, coverage and procedure of such verification is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and book records.

ii) According to the information and explanations given to us, the Company has not 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 at any point of time during the year. Accordingly, the reporting under Clause 3 (ii) (b) is not applicable to the Company.

3) a) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or secured or unsecured loans to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

4) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Section 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

5) According to the information and explanation given to us, the Company has not accepted deposits under the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under clause 3(v) of the order is not applicable to the Company.

6) The Company has not started its operations and hence reporting under Clause 3(vi) of the Order with respect to maintenance of cost records under sub-section (1) of Section 148 of the Act is not applicable to the Company.

7) i) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues pertaining to Income-tax have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

ii) According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of undisputed statutory dues in respect of Income Tax as on the last day of the year for a period of more than six months from the date they became payable.

iii) According to the information and explanation given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Service Tax, Provident Fund, Employees State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess as at 31 March 2024, which have not been deposited on account of any dispute.

8) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

9) a) According to the information and explanations given to us and based on the audit procedures performed by us, the company has not defaulted in repayment of borrowings or in the payment of interest thereon to any lender during the year.

b) b) According to the information and explanations given to us, the Company has not been declared a wilful defaulter by any bank or financial institution or any other lender till the date of our audit report.

c) In our opinion and according to the information and explanations given to us, the term loan has been applied for the purpose for which the loans were obtained.

d) In our opinion and according to information and explanations given to us and on overall examination of the Balance sheet of the Company, we report that company has not raised any short-term borrowings during the year. Hence reporting under clause (ix) (d) is not applicable to company.

e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, associates or joint ventures.

f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries, joint ventures or associate companies. Accordingly, the reporting under Clause 3(ix) (f) of the Order is not applicable to the Company.

10) a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

b) According to the information and explanation given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

11) 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 by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

b) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central

Government. Accordingly, the reporting under Clause 3(xi) (b) of the Order is not applicable to the Company.

c) As represented to us by the management, no whistle blower complaints were received by the Company during the year.

12) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

13) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified under Section 133 of the Act.

14) a) In our opinion and according to the information and explanations given to us and based on our examination, internal audit system is not applicable to the Company. Hence reporting under clause 3(xiv) is not applicable to the Company.

15) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company or persons connected with them during the year and hence the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3 (xv) of the Order is not applicable to the Company.

16) a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi) of the Order is not applicable to the Company.

b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing finance activities Accordingly, the reporting under Clause 3(xvi) (b) of the Order is not applicable to the Company.

c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clauses 3(xvi) (c) of the Order is not applicable to the Company.

d) Based on the information and explanations given to us, we report that the Group has one Core Investment Company.

17) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

18) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

19) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to 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.

20) a) The Company is not required to comply with the provisions of Section 135 of the Companies Act. Accordingly, reporting under clause 3(xx) (a) & (b) is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No.: 125657
UDIN No: 24125657BKESNB9215

Pune, April 26, 2024

ENERNXT PRIVATE LIMITED

BALANCE SHEET as at 31.03.2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Property, plant and equipment	4(a)	440.98	440.98
Capital work-in-progress	4(b)	3,366.57	2,793.07
Deferred tax asset (net)	7	6.31	6.31
Total non-current assets		**3,813.86**	**3,240.36**
II. Current assets			
Inventories	9	-	48.66
Financial assets:			
(a) Investments	5	75.03	5.20
(a) Cash and bank balances	10	57.20	247.07
(c) Other financial assets	6	0.02	0.22
Income tax asset (net)		7.06	1.42
Other current assets	8	597.62	392.82
Total current assets		**736.93**	**695.39**
Total assets		**4,550.79**	**3,935.75**
Equity and liabilities			
III. Equity			
Equity share capital	11	2,363.00	2,363.00
Other equity	12	-81.01	-9.58
Total equity		**2,281.99**	**2,353.42**
IV. Non-current liabilities			
Financial liabilities			
(a) Borrowings	13	1,039.13	851.65
Total non-current liabilities		**1,039.13**	**851.65**
IV. Current liabilities			
Financial liabilities			
(a) Borrowings	13	350.62	103.05
(b) Trade payables	14	-	-
i. total outstanding dues of micro enterprises and small enterprises		0.16	-
ii. total outstanding dues of creditors other than micro enterprises and small enterprises		14.29	18.60
(b) Other financial liabilities	15	858.84	596.11
Other current liabilities	16	5.76	12.92
Provisions		-	-
Liabilities for current tax (net)		-	-
Total current liabilities		**1,229.67**	**730.68**
Total equity and liabilities		**4,550.79**	**3,935.75**
Summary of Material accounting policies	2		
Summary of significant accounting judgements, estimates and assumptions	3		

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

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Income			
Other operating income		-	19.47
Other income	18	1.23	5.41
Total Income (I)		**1.23**	**24.88**
Expenses			
Cost of raw materials and components consumed	19	-	-
Changes in inventories of work-in-progress /traded goods	20	48.66	22.87
Employee benefits expense	21	6.12	-
Other Expenses	22	17.88	10.33
Total expenses (II)		**72.66**	**33.20**
Profit before tax (III) = (I-II)		**-71.43**	**-8.32**
Tax expense			
Current tax		-	-
Adjustment of tax relating to earlier period	7	-	-0.37
Total tax expense (IV)		**-**	**-0.37**
Profit for the year (V) = (III-IV)		**-71.43**	**-7.95**
Other comprehensive income		-	-
Items that will not be reclassified to profit or loss		0.00%	0.00%
Net other comprehensive income for the year (net of tax)		**-**	**-**
Total comprehensive income for the year		**-71.43**	**- 7.95**
Earning per equity share (Basic and Diluted) [Nominal value per share Rs. 10/- (March 31, 2023: Rs. 10/-)]	19	**-0.30**	**-0.03**
Summary of significant accounting policies	2		
Summary of significant accounting judgements, estimates and assumptions	3		

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

For B. K. Khare & Co.
Chartered Accountants
ICAI Firm Registration No.: 105102W

Amit Mahadik
Partner
Membership No:125657

Date: 24 Apr-2025

Place: Pune

For and on behalf of the Board of Directors of Enernxt Private Limited

Deepak Joshi
Director
DIN: 11004466

Khushboo Bhatia
Director
DIN: 09019736

Kajal Kabra
Company Secretary

Mandar Dandekar
Chief Financial Officer

Date: 24 Apr-2025

Place: Pune

Statement of changes in equity for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

A Equity Share Capital^

Particulars	Note No.	March 31, 2025	March 31, 2024
Balance at the beginning of the reporting year	10	2,363.00	-
Changes in equity shares capital during the year	10	-	2,363.00
Balance at the end of the reporting year	10	**2,363.00**	**2,363.00**

B Other Equity^

Particulars	Reserves & Surplus	
	Retained Earnings	Total
As at April 1, 2022	**-1.63**	**-1.63**
Other Comprehensive Income	-	-
Total comprehensive income	**-1.63**	**-1.63**
As at March 31, 2023	**-1.63**	**-1.63**
Profit for the year	-7.95	-7.95
Other Comprehensive Income	-	-
Total comprehensive income	-7.95	-7.95
As at March 31, 2024	**-9.58**	**-9.58**
Profit for the year	-71.43	-71.43
Other Comprehensive Income	-	-
Total comprehensive income	**-71.43**	**-71.43**
As at March 31, 2025	**-81.01**	**-81.01**

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

	Particulars		As at March 31, 2025	As at March 31, 2024
A)	**Cash flows from operating activities**			
	Profit before tax		(71.43)	(8.32)
	Adjustments to reconcile profit before tax to net cash flows			
	Bad debts written off	22	0.22	-
	Amortisation of prepaid lease rental	20 (a)	-	-
	Interest income	18	(0.39)	(5.41)
	Fair value gain on financial instrument at fair value through profit & loss (net)	18	(0.31)	(0.20)
	Working capital adjustments			
	(Increase) / Decrease in trade receivables		-	-
	(Increase) / Decrease in inventories	9	48.66	22.87
	(Increase) / Decrease in Other current assets		(204.81)	16.57
	Increase / (Decrease) in trade payables	14	(4.15)	10.55
	Increase / (Decrease) in other liabilities	16	(7.15)	0.29
	Increase / (Decrease) in other financial liabilities	15	262.74	-
	Increase / (Decrease) in Other assets	6	0.20	(0.08)
	Cash generated (used in)/ from operations		**23.58**	**36.27**
	Direct taxes paid (net of refunds received)		(5.64)	2.47
	Net cash flows used in operating activities		**17.94**	**38.74**
B)	**Cash flows from/ (used in) investing activities**			
	Purchase of Property, plant and equipment (net)	4a	(573.50)	(1,488.30)
	Sale/ (purchase) of other investments (net)	5	(69.83)	(5.20)
	Interest received	6	0.59	5.33
	Proceeds from fixed deposits/(investment) in fixed deposits		-	-
	Net cash flows (used in) investing activities		**(642.74)**	**(1,488.17)**
C)	**Cash flows from/ (used in) financing activities**			
	Proceeds from borrowings	13	618.80	954.70
	Repayment of borrowings	13	(183.87)	-
	Net cash flows from/(used in) financing activities		**434.93**	**954.70**
	Net (decrease)/ increase in cash and bank balances		**(189.87)**	**(494.73)**
	Cash and bank balances at the beginning of the year	10	247.07	741.80
	Cash and bank balances at the end of the year		**57.20**	**247.07**

Reconciliation of cash and bank balances as per the cash flow statement:

		March 31, 2025	March 31, 2024
Cash and bank balances	10	57.20	247.07
Balances as per statement of cash flows		**57.20**	**247.07**

For B. K. Khare & Co.
Chartered Accountants
ICAI Firm Registration No.: 105102W

Amit Mahadik
Partner
Membership No:125657

Date: 24 Apr-2025

Place: Pune

For and on behalf of the Board of Directors of Enernxt Private Limited

Deepak Joshi
Director
DIN: 11004466

Khushboo Bhatia
Director
DIN: 09019736

Kajal Kabra
Company Secretary

Mandar Dandekar
Chief Financial Officer

Date: 24 Apr-2025

Place: Pune

ENERNXT PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

1. Corporate information

Enernxt Private Limited ('the Company') is a private limited Company incorporated and domiciled in India. The address of the registered office is Thermax House, 14, Mumbai Pune Road, Wakdewadi, Pune.

During the Financial Year 2024-25, the Company has obtained regulatory approvals (11 out of 17 Approvals) from Government authorities for setting up the plant. Balance 6 approvals shall be received before Plant start up from Sep 25. Temporary Construction Power has been obtained & Permanent Power for Plant operation shall be available from June'25. Construction of the plant under progress. Construction of the plant under progress.

The Board of Directors have authorized to issue these financial statements on Apr 24, 2025. The CIN of the Company is U40107PN2021PTC197447.

2. Significant accounting policies

2.1. Basis of preparation, measurement and transition to Ind AS

(a) Basis of preparation

These financials statements are prepared in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act,2013 ('the Act') (to the extent notified) and the guidelines issued by the securities and exchange board of India (SEBI).The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules,2016 and 2017.

The preparation of the financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies.

(b) Basis of measurement

The financial statements have been prepared on under historical cost convention.

The financial statements are presented in Indian Rupees (INR) and all values are rounded to the nearest lakh except when otherwise indicated.

2.3 Summary of significant accounting policies

a. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle
- Expected to be realized within twelve months after the reporting period, or
- 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 expected to be settled in the normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Financial instruments

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.

Financial Assets

Initial Recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

c. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

d. Earnings per Share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

e. Revenue from Sale of goods

The Company recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

f. Interest Income

Interest income is recognized when it is probable that economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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 utilized. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

h. Property, Plant and Equipment

Property, plant and equipment (PPE) is stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalized. Subsequent costs/replacement costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

3. Significant accounting judgments, 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 revenue, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

3a. Recent Accounting Pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. As on March 31 2025, MCA has not amended the Companies (Indian Accounting Standards) Amendment Rules , 2023 and hence reporting under this section is not applicable.

4 Property, plant and equipment

Particulars	Freehold Land	Total	Capital work in progress
Gross carrying amount as at April 01, 2022	**439.90**	**439.90**	**-**
Additions	1.08	1.08	708.38
Disposals	-	-	
Gross carrying amount as at March 31, 2023	**440.98**	**440.98**	**708.38**
Additions	-	-	2,084.69
Disposals	-	-	-
Gross carrying amount as at March 31, 2024	**440.98**	**440.98**	**2,793.07**
Additions	-	-	573.50
Disposals	-	-	-
Gross carrying amount as at March 31, 2025	**440.98**	**440.98**	**3,366.57**
Accumulated depreciation as at April 1, 2022	**-**	**-**	**-**
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated depreciation as at March 31, 2023	**-**	**-**	**-**
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated depreciation as at March 31, 2024	**-**	**-**	**-**
Charge for the year	-	-	-
Disposals	-	-	-
Accumulated depreciation as at March 31, 2025	**-**	**-**	**-**
Net Block as at March 31, 2025	**440.98**	**440.98**	**3,366.57**
Net Block as at March 31, 2024	**440.98**	**440.98**	**2,793.07**

CAPITAL WORK-IN-PROGRESS ('CWIP')

Ageing of Capital work in progress (CWIP) :

CWIP		Amount in CWIP for a period of			Total
		Less than 1 year	1-2 years	2-3 years	
Project in progress	31 March 2025	573.50	2,084.69	708.38	**3,366.57**
	31 March 2024	2,084.69	708.38	-	**2,793.07**

Bio CNG project is delayed and will be operational from Sept-25 below is the status of CWIP.

CWIP	To be completed in			
	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years
Bio CNG	3,366.57	-	-	-

The above capital work in progress consist of Bio CNG project which become overdue as compared to its original plan and expect to complete by Sept 2025.

5 Investments

Particulars	Amount	
	March 31, 2025	March 31, 2024
Investments at Fair value through Profit and Loss		
Liquid/ Liquid Plus and Duration funds (Quoted)	-	-
Units of Mutual Funds (Quoted)	75.03	5.20
Total current investments	**75.03**	**5.20**

Investments at fair value through profit or loss reflect investment in debt securities. Refer note 31 (b) for determination of their fair values.

6 Other Financial assets

Particulars	Non -current		Current	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good				
At amortized cost				
Interest accrued on bank deposits and others	-	-	0.02	0.22
Total	**-**	**-**	**0.02**	**0.22**

7 Income Taxes

Current tax

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

Statement of profit and loss

Particulars	March 31, 2025	March 31, 2024
Current tax	-	-
Adjustments in respect of Current income tax of previous year	-	(0.37)
Deferred tax (income)/ expense (Relating to obligations and reversal of temporary differences)	-	-
Income tax expense reported in the statement of profit and loss	**-**	**(0.37)**

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate for March 31, 2025 and March 31, 2024.

Particulars	March 31, 2025	March 31, 2024
Accounting profit before tax	(71.43)	(8.32)
At India's statutory income tax rate of 25.17%	(17.98)	(2.16)
Deferred tax not recognised for current year loss	17.98	0.27
Adjustments in respect of Current income tax of previous year	-	-
Effective tax	-	(1.89)
Income tax expense reported in the statement of profit or loss	**-**	**(0.37)**

Deferred tax

Balance sheet

Particulars	March 31, 2025	March 31, 2024
Deferred tax relates to the following :		
Others (impact on account of temporary differences)	6.31	6.31
Net deferred tax assets	**6.31**	**6.31**

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

8 Other current assets

Particulars	March 31, 2025	March 31, 2024
Unsecured considered good		
Balances with government authorities	510.06	391.99
Advances to suppliers	87.56	-
Prepaid expenses	-	0.83
Total	**597.62**	**392.82**

There were no advances due by directors or other officers of the Company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

9 Inventories (valued at lower of cost and net realizable value)

Accounting policy

Inventories are stated at the lower of cost and net realisable value (NRV). Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

Particulars	March 31, 2025	March 31, 2024
Raw materials	-	48.66
Total	**-**	**48.66**

10 Cash and bank balances

Accounting policy

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Consolidated Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Group's cash management.

Particulars	March 31, 2025	March 31, 2024
Balances with banks		
- on current accounts	47.20	237.07
- in deposits with original maturity of less than three months	10.00	10.00
Total	**57.20**	**247.07**

Short-term deposits are made for varying periods of between one to three months, depending on the immediate cash requirements of the Company, and earn interest at the respective short-term deposit rates.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

11 Share Capital

Accounting Policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

	March 31, 2025	March 31, 2024
Authorized shares (Nos)		
3,50,00,000 equity shares of Rs. 10/- each.	3,500.00	2,500.00
	3,500.00	**2,500.00**
Issued, subscribed and fully paid share capital (Nos)		
2,36,30,000 equity shares of Rs. 10/- each.	2,363.00	2,363.00
Total issued, subscribed and fully paid-up share capital	**2,363.00**	**2,363.00**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	No. of shares	Rs.
Equity share of Rs. 10 each issued, subscribed and fully paid		
As at March 31, 2022	2,36,30,000.00	2,363.00
Changes during the year	-	-
As at March 31, 2023	2,36,30,000.00	2,363.00
Changes during the year	-	-
As at March 31, 2024	2,36,30,000.00	2,363.00
Changes during the year	-	-
As at March 31, 2025	**2,36,30,000.00**	**2,363.00**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity share capital held by holding company

	March 31, 2025	March 31, 2024
Thermax Onsite Energy Solutions Limited		
2,36,29,999 equity shares of Rs. 10/- each fully paid up	2,363.00	2,363.00

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	March 31, 2025	March 31, 2024
Thermax Onsite Energy Solutions Limited		
%	100	100
No. of shares	2,36,29,999	2,36,29,999

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

12 Other Equity

	March 31, 2025	March 31, 2024
Reserves and Surplus		
Retained earnings		
Opening balance	(9.58)	(1.63)
Add: Profit for the year	(71.43)	(7.95)
Less: Share issue expenses	-	-
Movement during the year	(71.43)	(7.95)
Items of other comprehensive income recognised directly in retained earnings:		
Net surplus in the statement of profit and loss	**(81.01)**	**(9.58)**
Total	**(81.01)**	**(9.58)**

13 Borrowings

	Non -current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
At amortized cost				
Secured				
Loan from banks (refer note a below)^	342.98	103.05	844.68	851.65
Loan from Holding Company	7.62	-	194.45	-
Total	**350.60**	**103.05**	**1,039.13**	**851.65**

^ Loan Taken from HSBC bank for construction of plant at Payal.

^Loan from bank carries an effective interest rate ranging between 8.63% - 9.23% (March 31 2023 , NA) The loan has been availed for 48 months and it is repayable in 48 monthly instalments along with interest, from the date the moratorium period ends. The loan has a moratorium period of 12 months for repayment of principal. The loan is secured by first charge on plant and machinery (property, plant & equipment, and inventory work in progress).

14 Trade payables

	March 31, 2025	March 31, 2024
Trade payables		
Total outstanding dues of micro enterprises and small enterprises^	0.16	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	-
(i) Related Parties	11.79	18.27
(ii) Other	2.50	0.33
Total	**14.45**	**18.60**

For terms and conditions with related parties, refer note 30.

Trade payables are non-interest bearing and are normally settled on credit terms of 7 to 60 days.

ENERNXT PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) MSME	0.07	-	0.09	-	-	-	**0.16**
(ii) Others	11.79	2.50	-	-	-	-	**14.29**
(iii) Disputed dues- MSME							-
(iii) Disputed dues- Others							-

The ageing of current trade payables which are due for payment :

Particulars	Not Due	Unbilled	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
As at March 31, 2025							
(i) MSME	-	-	-	-	-	-	**-**
(ii) Others	-	-	18.60	-	-	-	**18.60**
(iii) Disputed dues- MSME	-	-	-	-	-	-	-
(iii) Disputed dues- Others	-	-	-	-	-	-	-

15 Other financial liabilities

	Non -current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
At amortized cost				
Payables for property, plant & equipments	-	-	858.84	596.11
Total	**-**	**-**	**858.84**	**596.11**

16 Other liabilities

	Non -current		Current	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Statutory dues payable**	-	-	5.76	12.92
Total	**-**	**-**	**5.76**	**12.92**

** includes tax deducted at source

17 Earnings per share

a) Revenue from contracts with customers:

	March 31, 2025	March 31, 2024
Other operating revenue		
Sale of Traded Good	-	19.47
	-	**19.47**
Revenue from operations (Net)	**-**	**19.47**

18 Other income

	March 31, 2025	March 31, 2024
Interest income from financial assets at amortised cost		
Bank deposits	0.39	5.05
Others	-	0.16
Net gain on sale of current investments designated at FVPL	0.26	-
Fair value gain on financial instrument at fair value through profit and loss (net)	0.05	0.20
Miscellaneous income	0.53	-
Total	**1.23**	**5.41**

19 Cost of raw materials consumed/purchased

	March 31, 2025	March 31, 2024
Inventories at the beginning of the year	**48.66**	**71.53**
Add: Purchases	(48.66)	(71.53)
	-	**-**
Inventories at the end of the year	-	48.66
	-	**(48.66)**
Total	**-**	**-**

20 Changes in inventories

	March 31, 2025	March 31, 2024
Inventories at the beginning of the year	48.66	71.53
Inventories at the end of the year	-	48.66
Changes in inventories of traded goods	**48.66**	**22.87**

21 Employee benefits expense

	March 31, 2025	March 31, 2024
Salaries,wages and bonus	6.12	49.43
	6.12	49.43
Less: capitalised during the year	-	(49.43)
Total	**6.12**	**-**

22 Other expenses

	March 31, 2025	March 31, 2024
Freight and forwarding charges (net)	0.20	-
Rent	-	4.32
Rates and taxes	9.55	-
Insurance	0.15	0.76
Legal and professional fees (includes payment to Auditor (refer note (b))	6.68	5.25
Bad debts/ advances written off	0.22	-
Miscellaneous expenses	1.08	8.71
	17.88	**19.04**
Less: capitalised during the year	-	(8.71)
Total	**17.88**	**10.33**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

(b) Payment to auditors

	March 31, 2025	March 31, 2024
As auditor:		
Audit fees	2.50	2.00
Total	**2.50**	**2.00**

23 Earnings per share

	March 31, 2025	March 31, 2024
Net profit after tax attributable to the equity shareholders (Rs. In lacs)	(71.43)	-7.95
Weighted average number of equity shares of Rs. 10/- each	2,36,30,000	2,36,30,000
Basic and diluted EPS	(0.30)	(0.03)

24 Related party disclosures

A Names of related parties and related party relationship:

Related parties where control exists

I Ultimate Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	RDA Holdings Private Limited	India

II Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Onsite Energy Solutions Limited	India

B Related parties with whom transactions have taken place during the year :

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Limited	India
2	Thermax BioEnergy Solutions Private Limited	India
3	Thermax Onsite Energy Solutions Limited	India

c Key Management Personnel:

1	Mr. Bhavesh Chheda - Director (upto 31st March 2025)
2	Mr. Deodatta Deshpande - Director
3	Ms. Khushboo Bhatia - Director
4	Mr. Deepak Joshi - Director (w.e.f 1st April 2025)
5	Mr. Mandar Dandekar- Chief Financial Officer (w.e.f 1st April 2025)
6	Ms. Kajal Kabra - Company Secretary
7	Mr. Ramkumar S- Manager

D Transactions with related parties:

	Holding Company		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
a. Transactions during the year				
Recovery of expenses	-	-	-	-
Reimbursement of expenses	109.69	70.88	109.69	70.88
Purchase of property, plant and equipment	233.62	213.15	233.62	213.15
Loan taken from Holding Company	200.00	-	200.00	-
b. Balances as at reporting date				
Purchase of property, plant and equipment	411.64	178.02	411.64	178.02
Reimbursement of expenses	111.33	39.86	111.33	39.86
Loan payable to Holding Company	202.07	-	202.07	-

E Related party transactions include transactions pertaining to the following parties with whom the transactions are considered to be individually significant.

	March 31, 2025	March 31, 2024
Transactions during the year		
Reimbursement of expenses		
Thermax Onsite Energy Solutions Limited, India *	69.26	49.29
Thermax BioEnergy Solutions Private Limited	40.43	21.59
Purchase of property, plant and equipment		
Thermax Limited, India	233.62	213.15
Loan taken from Holding Company		
Thermax Onsite Energy Solutions Limited, India	200.00	-
Thermax Onsite Energy Solutions Limited, India	200.00	-

* These amounts have been reimbursed to the Holding company.

	March 31, 2025	March 31, 2024
Balances as at the year end		
Other amounts Payable		
Thermax Onsite Energy Solutions Limited, India	49.31	18.27
Thermax BioEnergy Solutions Private Limited	62.02	21.59
Capital Credtors		
Thermax Limited, India	411.64	178.02
Loan payable to Holding Company (incl. Interest accrued)		
Thermax Onsite Energy Solutions Limited, India	202.07	-

F Terms and conditions of related party transactions

The sales to and purchases from related parties are assessed to be at arm's length transactions by the management. Outstanding balances at the year-end are unsecured and interest-free and settlement occurs in cash.

There have been no guranatees provided or received for any related party receivables or payables. For the year ended March 31, 2025 and March 31, 2024, the Group has not recorded any impairment of receivables relating to amounts owed by related parties.

25 Fair value measurements

(a) Category of financial instruments and valuation techniques

Details of financial assets carried at amortised cost

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Other financial assets	5	0.02	0.22
Cash and bank balances	9	57.20	247.07
Total financial assets		**57.22**	**247.29**
Current Assets		57.22	247.29
Total financial assets		**57.22**	**247.29**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Details of financial assets carried at fair value through profit and loss

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Financial assets			
Investments		75.03	5.20
Total financial assets		**75.03**	**5.20**
Current assets		75.03	5.20
Total financial assets		**75.03**	**5.20**

Details of financial liabilities carried at amortised cost

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Borrowings		1,389.73	954.70
Trade payables	12	14.45	18.60
Capital creditors		858.84	596.11
Total financial liabilities		**2,605.78**	**1,569.41**
Current liabilities		1,566.65	717.76
Non-current liabilities		1,039.13	851.65
Total financial liabilities		**2,605.78**	**1,569.41**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

b) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets and liabilities. Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024

Date of valuation	Level 1	Level 2	Level 3
Financials Assets			
Investment	75.03		
Mutual Fund	75.03	-	-

26 Financial risk management

The Company's principal financial liabilities, comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Interest accrued on bank deposits and cash and bank balances.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's financial risk activities are governed by appropriate policies and procedures and the financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

Interest rate risk

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

II 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 financing activities, including deposits with banks and financial institutionsand other financial instruments.

Financial instruments and bank deposits

Credit risk from balances with banks and financial institutions is managed by the group treasury department in accordence with the Thermax group policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. Counterparty credit limits are reviewed by the group's Board of Directors on an annual basis, and may be updated throughout the year subject to approval of the group's Finance Committee. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and bank balances, the basis of expected cash flows. This is generally carried out by the company in accordance with practice and limits set by the company. These limits vary by location to take into account the liquidity of the market in which the company operates.

(i) Maturities of financial liabilities

The tables below analyse the company's financial liabilities into relevant maturity profile on their contractual maturities for :

March 31, 2025	Note No.	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative					
Borrowings	15	342.98	685.96	158.82	-
Trade Payables	12	14.46	-	-	-
Capital Creditors		858.84	-	-	-

March 31, 2024	Note No.	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative					
Borrowings	15	-	616.36	338.34	-
Trade Payables	12	18.60	-	-	-
Capital Creditors		596.11	-	-	-

*Represents contractual undiscounted cash flows. Such undiscounted cash flows differ from the amount included in the balance sheet because the balance sheet amount is based on discounted cash flows.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

27 Capital Management

The Company's objective for capital management is to maximise shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long- term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. No changes were made in the objectives, policies or processes during the years ended March 31, 2025 and March 31, 2024. Capital represents equity attributable to equity holders of the Parent Company.

	March 31, 2025	March 31, 2024
Borrowings	1,382.11	954.70
Trade payables	14.45	18.60
Less: Cash and bank balances	57.22	247.29
Net debt	**1,339.34**	**726.01**
Equity	2,281.99	2,353.42
Capital and net debt	**3,621.33**	**3,079.43**
Gearing ratio	**36.98%**	**23.58%**

In order to achieve this overall objective, the Group's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current year.

No changes were made in the objectives, policies or processes for managing capital during the year ended March 31, 2024 and March 31, 2025

28 Segment information

Revenue by geographical segment

The company has not started it's operations yet, thus no revenue from sales are generated during the year.

Carrying amount of non current assets

Particulars	March 31, 2025	March 31, 2024
Revenue from external customer (gross)		
India	-	-
Outside India	-	-
Total	**-**	**-**

Sales of Paddy straw kept for trials.

Carrying amount of non current assets

Particulars	March 31, 2025	March 31, 2024
Carrying amount of non current assets		
Assets within India	440.98	440.98
Total	**440.98**	**440.98**

Addition to non current assets

Particulars	March 31, 2025	March 31, 2024
Assets within India	-	-
Assets outside India	-	-
Total	**-**	**-**

29 Key financial ratios

The following are analytical ratios for the year ended March 31, 2024 and March 31, 2023:

Particulars	Numerator	Denominator	FY 2024-25	FY 2023-24	Variance	Reason for variance
Current Ratio	Current assets	Current liabilities	0.60	0.95	-37.03%	Due to increase in current liability on account of payables and short term borrowings.
Debt-Equity Ratio	Total debt i.e. Borrowings (Current+Non current)	Shareholder's equity	0.6090	0.4057	50.1%	The debt during FY 2024-25 has increased as compared to FY 2023-24.
Return on equity ratio	Profit after tax	Average shareholder's equity	-0.0313	-0.0034	826.38%	The company is not in operation, last year, we had a surplus fund which was parked in FD, fetching interest income. In the current year, we deployed all funds in capex, hence the ratio deteriorated.
Return on Investment	Unrealised Gain	Initial Investment	0.0042	0.0384	-89.13%	Increase in Investment during the year
Return on capital employed (ROCE)	Profit before tax + finance cost	Capital employed	-0.02	-0.00	-0.26%	There is no substantiable FD income in current year compare to last year hence ratio is on lower side.

29 (b) The Company uses various accounting applications for maintaining their books of account. Out of these applications, the Company has made an assessment to identify the accounting software that are required to comply with requirements regarding audit trail (edit log) facility and allied requirements.

As per the above assessment, the Company uses a accounting software for maintaining its books of account which have a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that audit trail feature is not enabled for certain transactions including master data and direct changes to data using certain privileged access rights for the application and/or the underlying database. Further no instance of audit trail feature being tampered with was noted in respect of accounting software wherever these elements are enabled.

The Company is in the process of assessing the above and will take appropriate measures to comply with the regulations.

ENERNXT PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

30 Struck off Companies

There are no shares held by struck off companies. Below are details of investment, receivable, payable and any other transactions outstanding with struck off companies

For the year ended Mar 31,2025

Name of Struck off Companies	Nature of Transaction	Transaction during the year	Balance oustanding at the year end	Relationship with the struck off company if any to be disclosed
-	-	-	-	-

31 Note on Going Concern

The Company has incurred a net loss/net cash loss during the current and previous years and Company's current liabilities exceeds its current assets as at the Balance sheet date . The operations of the Company yet to be initiated due to delay in capitalisation of the Project activities. The Company has noted negative net current assets of Rs.492.75 Lacs with no operational income as on 31 March 25. However, in view of the mitigating factors , through the continuous financial support provided by the Parent Company and expected completion of the Project in FY 26, accompanying financial statement have been prepared on going concern basis.

32 Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Company has a process to take daily back-up of books of account maintained in electronic mode and alongwith the logs of the back-up of such books of account. However, the backup of certain books and records pertaining to employee reimbursement system maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with regulations.

For B. K. Khare & Co.
Chartered Accountants
ICAI Firm Registration No.: 105102W

Amit Mahadik
Partner
Membership No:125657

Date: 24 Apr-2025

Place: Pune

For and on behalf of the Board of Directors of
Enernxt Private Limited

Deepak Joshi
Director
DIN: 11004466

Khushboo Bhatia
Director
DIN: 09019736

Kajal Kabra
Company Secretary

Mandar Dandekar
Chief Financial Officer

Date: 24 Apr-2025

Place: Pune

First Energy TN 1 Private Limited

Board of Directors
Ravi Damaraju
Anjali Lothe
Sanjay Parande
Ashok Joshi

Registered Office
Thermax House,
14, Mumbai – Pune Road, Wakdewadi,
Pune – 411003

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personnel
Ravi Damaraju, WTD
Sumit Rathi, CFO

Bankers
ICICI Bank

Corporate Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure in presenting the Third Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	869.7	909.89
Profit before finance cost, depreciation, and tax	737.6	815.96
Finance Cost	513.5	527.42
Profit before depreciation and tax	224.1	288.54
Depreciation and impairment	312.6	310.56
Profit/(Loss) before tax	(88.6)	(22.02)
Provision for taxation (incl. deferred tax)	(33.8)	33.83
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(54.7)	(55.85)

State of Company's Affairs

The Company's Solar plant of 16MWp is in stable operation since commissioning in December 2022. During the year, 700 MWp capacity is added for enhancing the generation. The Company is in the process of adding 7.5 MWp capacity connected to the same Grid Substation.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

In a view of accumulated losses, the directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the Company. The Paid-up Share Capital of the Company is Rs. 22,00,00,000 divided into 2,20,00,000 Equity shares of Rs.10 each. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements. During the year, the Company did not give any guarantee.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors, or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its Renewable Energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involves risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The risk identified by the Company is lower generation on account of lower radiation and Grid failures. The Company continuously studies the radiation levels with historical data from reliable sources and accordingly sizes the plant and the financial models for arriving at the right tariff for the available conditions. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk results in revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance.

The Company is also using waterless robotic technology for cleaning modules and therefore manpower dependency is reduced.

The Board at its meetings periodically reviews and monitors these risks and their mitigation plan.

Health and Safety

Across all its operational assets, sites, and offices, the company implements policies that cover Health and safety. The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt –Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction, and Risk based training is imparted to Contractors.
- HSE Digitalization: - HSE digital software implemented for hazard reporting and risk behaviour reporting

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ravi Damaraju (DIN: 09554649) retires by rotation and being eligible offers himself for re-appointment. The proposal of re-appointment forms part of the Notice of the Third AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani resigned as the Director and Chief Financial Officer of the Company with effect from April 5, 2024.
- Mr. Sumit Rathi was appointed as the Chief Financial Officer of the Company with effect from May 02, 2024.
- Ms. Sampada Sakhare resigned as the Company Secretary and Key Managerial Personnel (KMP) of the Company with effect from February 07, 2025.

Policy on appointment and remuneration of directors and key managerial personnel

The Board has adopted a policy on the selection and appointment of Directors and remuneration of Directors, KMPs, and employees. The Directors do not receive any remuneration except independent directors who are entitled to sitting fees as approved by the Board for each Board/Committee meeting attended. A detailed policy is annexed herewith as Annexure 1 and forms part of this report.

Declaration by Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added to the data bank maintained by the Indian Institute of Corporate Affairs for independent directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. However, an individual who has fulfilled the criteria prescribed in Rule 6(4) of the said Rules, is exempted from passing the online proficiency self-assessment test. In view of the same, Mr. Sanjay Parande, having met the aforesaid criteria, was exempted from the proficiency self-assessment test and Mr. Ashok Joshi has passed the proficiency self-assessment test.

The Board is of the opinion that the Directors of the Company are eminent persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

Board Meetings

During the year, the Board met five times on May 02, 2024, July 22, 2024, October 28, 2024, January 23, 2025, and March 10, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Independent directors meeting

During the year under review, the independent directors met once on January 23, 2025, where all independent directors were present inter alia to review the performance of the Board and non-independent directors of the Company.

Committees of the Board

The Board has constituted the following committees viz. Audit Committee and Nomination and Remuneration Committee.

Audit Committee

The Audit Committee of the Board of Directors was constituted on December 23, 2022. The committee comprises of all directors being non-executive directors viz Mr. Sanjay Parande as the Chairman and Mr. Ashok Joshi & Ms. Anjali Lothe as members of the committee.

The Committee was reconstituted by the Board by a resolution passed by circulation on April 17, 2024 and Ms. Anjali Lothe was inducted as a member of the Committee.

The committee met four times during the year on May 02, 2024, July 22, 2024, October 28, 2024, and January 23, 2025. Further, all the recommendations made by the audit committee were accepted by the Board.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Board of Directors was constituted on December 23, 2022. The committee comprises of all directors being non-executive directors viz Mr. Ashok Joshi as the Chairman and Mr. Sanjay Parande & Ms. Anjali Lothe as members of the committee. The committee met twice on May 02, 2024, and January 23, 2025.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the profit and loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar, Wind and associated Renewable energy generation sources for commercial & industrial customers. As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning.

In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

In the case of Technology absorption, the Company used higher rated (>540Wp) Monoperc PV modules with better efficiency, a structure designed to string type Solar Inverters designed for outdoor installation

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the company is a Subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. It has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five year from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

The State notified several draft regulations in the year (grant of connectivity, green open access, wind re-powering/refurbishment etc) with positive impacts/opportunities for business, supporting the captive open access market. Demand for captive open access in the state continues to be robust.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
First Energy TN 1 Private Limited

Anjali Lothe	**Ravi Damaraju**
Director	Director
DIN: 10134848	DIN - 09554649

Pune, April 28, 2025

First Energy TN 1 Private Limited

Annexure - 1

Policy on Selection and Appointment of Directors and Remuneration of Directors, KMPs and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Non-Executive Directors (NEDs), based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict-of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration:

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD, WTD & CEO:

i. At the time of appointment or re-appointment, the Managing Director (MD), Whole Time Director (WTD) and Chief Executive Officer (CEO) shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the MD, WTD and CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD, WTD and CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD, WTD and CEO, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/employees and KMPs shall ensure the following:

(i) The remuneration is divided into Fixed component & Variable Component.

(ii) The division is based on the fixed salary and performance bonuses.

(iii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

Based on the Annual Business Plan prepared, Individual Contribution Plan (ICP) is prepared by the Senior Management which is agreed upon. It broadly contains certain targets for strategic objectives, operational excellence-oriented initiatives, and business deliverables. The actual performance of individual repartee will be discussed by the MD and CEO at the year's end. Based on the appraisal and overall performance of the

Company and after considering the market trends, suitable increments/variable pay shall be decided by the MD and CEO.

The MD & CEO will present a snapshot of the evaluation carried out to assess the performance of the Whole-time Director, while recommending the annual increment of the NRC, for its review and approval.

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy TN 1 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy TN 1 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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

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

13. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 29(viii) to the financial statements, 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, as disclosed in the Note 29(viii) to the financial statements, 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; and

        (c) Based on such audit procedures that we 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 or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIW3181
Place: Pune
Date: May 7, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy TN 1 Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy TN 1 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIW3181
Place: Pune
Date: May 7, 2025

First Energy TN 1 Private Limited

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of First Energy TN 1 Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in 3 mutual fund schemes.

The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3 (iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans during the year ended March 31, 2025 and there was no unutilized balance of term loan obtained in earlier years as on April 1, 2024. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has utilised funds raised on short-term basis aggregating Rs 2,676.38 lakhs for long-term purposes.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIW3181
Place: Pune
Date: May 7, 2025

First Energy TN 1 Private Limited

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Property, plant and equipment	3(a)	7,083.83	7,282.09
Capital work-in-progress	3(b)	2,516.07	211.07
Financial assets			
(a) Other financial assets	4(a)	30.34	150.20
Income tax assets (net)	5(a)	2.06	0.50
Other non-current assets	6(a)	27.64	339.84
Total non-current assets		**9,659.94**	**7,983.70**
II. Current assets			
Financial assets			
(a) Trade receivables	7	67.08	48.24
(b) Cash and cash equivalents	8(a)	36.95	13.73
(c) Bank balance other than (b) above	8(b)	-	28.61
(d) Other financial assets	4(b)	338.79	147.82
Other current assets	6(b)	232.01	19.19
Total current assets		**674.83**	**257.59**
Total Assets		**10,334.77**	**8,241.29**
Equity and Liabilities			
III. Equity			
Equity share capital	9	2,200.00	2,200.00
Other equity	10	(232.85)	(178.12)
Total equity		**1,967.15**	**2,021.88**
Liabilities			
IV. Non-current liabilities			
Financial liabilities			
(a) Borrowings	11(a)	4,794.32	5,145.15
Deferred tax liabilities (net)	5(b)	-	33.83
Total non-current liabilities		**4,794.32**	**5,178.98**
V. Current liabilities			
Financial liabilities			
(a) Borrowings	11(b)	3,341.09	958.96
(b) Trade payables	12	-	-
i) total outstanding dues of micro enterprises and small enterprises		12.21	1.98
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		47.09	27.13
(c) Other financial liabilities	13	149.08	51.41
Other current liabilities	14	23.83	0.95
Total current liabilities		**3,573.30**	**1,040.43**
Total Equity and Liabilities		**10,334.77**	**8,241.29**

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from operations	15	855.46	845.27
Other income	16	14.23	64.63
Total Income		**869.69**	**909.90**
Expenses			
Finance costs	17	513.52	527.42
Depreciation expense	18	312.64	310.55
Other expenses	19	132.09	93.95
Total expenses		**958.25**	**931.92**
Loss before tax		**(88.56)**	**(22.02)**
Tax expense			
Current tax		-	-
Deferred tax	5	(33.83)	33.83
Total tax expense		**(33.83)**	**33.83**
Loss for the year		**(54.73)**	**(55.85)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(54.73)**	**(55.85)**
Loss per equity share			
Basic & Diluted [nominal value per share ₹ 10/-]	20	**(0.25)**	**(0.25)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of First Energy TN 1 Private Limited

Anjali Lothe
Director
DIN : 10134848

Ravi Damaraju
Director
DIN : 09554649

Pranav Pimpale
Company Secretary

Sumit Rathi
Chief Financial Officer

Place: Pune
Date : April 28, 2025

Statement of Cash flows for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Cash flows from operating activities**		
	Loss before tax	(88.56)	(22.02)
	Adjustments for		
	Depreciation expenses	312.64	310.56
	Finance costs	513.52	527.42
	Interest income from financial assets at amortised cost	(13.11)	(5.21)
	Net gain on disposal of property, plant and equipment	0.53	-
	Working capital adjustments		
	(Increase)/decrease in trade receivables	(18.84)	27.57
	(Increase) in other financial assets	(30.91)	(27.62)
	(Increase) in other assets	(211.86)	(3.83)
	Increase/(decrease) in trade payables	30.19	(74.21)
	Increase/(decrease) in other liabilities	22.89	(11.36)
	Cash generated from operations	**516.49**	**721.30**
	Income taxes paid	(1.56)	1.38
	Net cash generated from operating activities	**514.93**	**722.68**
B)	**Cash flows from investing activities**		
	Payment for property, plant and equipment	(1,931.07)	(849.95)
	Investment in mutual funds	(776.96)	-
	Proceeds from sale of mutual funds	784.09	-
	Fixed deposits placed with banks	(11.59)	(178.80)
	Interest received	13.10	5.24
	Net cash flows used in investing activities	**(1,922.43)**	**(1,023.51)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	2,553.00	926.00
	Repayment of borrowings	(524.96)	(276.34)
	Interest paid on borrowing	(506.76)	(507.72)
	Interest paid and capitalised in property, plant and equipment	(90.56)	(12.87)
	Net cash flows from financing activities	**1,430.72**	**129.07**
	Net increase/(decrease) in cash and cash equivalents	**23.22**	**(171.76)**
	Cash and cash equivalents at the beginning of the financial year	13.73	185.49
	Cash and cash equivalents at the end of the financial year	**36.95**	**13.73**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents [refer note 8(a)]	36.95	13.73
Balances as per Statement of Cash Flows	**36.95**	**13.73**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer note 11(b) for Net debt reconciliation

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy TN 1 Private Limited

Anjali Lothe
Director
DIN : 10134848

Ravi Damaraju
Director
DIN : 09554649

Pranav Pimpale
Company Secretary

Sumit Rathi
Chief Financial Officer

Place: Pune
Date : April 28, 2025

First Energy TN 1 Private Limited

Statement of changes in equity as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at April 1, 2023	**2,200.00**
Issue during the year	-
As at March 31, 2024	**2,200.00**
Issue during the year	-
As at March 31, 2025	**2,200.00**

B Other Equity

Particulars	Retained Earnings	Total
As at April 1, 2023	(122.27)	(122.27)
Loss for the year	(55.85)	(55.85)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(178.12)**	**(178.12)**
As at March 31, 2024	(178.12)	(178.12)
Loss for the year	**(54.73)**	**(54.73)**
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(54.73)**	**(54.73)**
As at March 31, 2025	**(232.85)**	**(232.85)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy TN 1 Private Limited

Anjali Lothe
Director
DIN : 10134848

Ravi Damaraju
Director
DIN : 09554649

Pranav Pimpale
Company Secretary

Sumit Rathi
Chief Financial Officer

Place: Pune
Date : April 28, 2025

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy TN 1 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on January 29, 2022 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business as a producer of solar power.

The address of the Company's registered office is 14, Thermax House, Old Mumbai-Pune Highway, Wakdewadi, Pune – 411003, India. The Board of Directors have authorized to issue these financial statements on April 28, 2025. The CIN of the Company is U40108PN2022PTC208074.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention;

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in power purchase agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

At the end of each reporting period, the Company updates the estimated transaction price to represent the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Company accounts for such changes in the transaction price (including claims). Consideration / claim payable to a customer includes cash amounts that an entity pays to the customer. The Company accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct goods or service that the customer transfers to the entity. The consideration payable to a customer includes a variable amount.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	5 to 25	10 to 15
Building	3	3 to 30

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in Statement of Cash Flows.

2.3. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. There are currently no debt securities which are carried at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurementt

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

c. Property, plant and equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

d. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

j. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

k. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

l. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

m. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected generation based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would lead to recoverable amount and conclusion on impairment assessment.

ii. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

iii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget over the useful life of assets as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows. The estimates involved includes long term debt cost, cost of equity and long term debt equity ratio.

iv. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

v. Deferred taxes

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

vi. Revenue recognition

The Company recognises revenue (including the adjustment to transaction price resulting due to customer claims) as per the applicable power purchase agreement, ongoing negotiation with customers, management's probability estimate and the past trends of settlement.

3 Property, Plant and Equipment

Particulars	Land Freehold	Buildings	Solar Power Plant	Total	Capital work-in-progress
Gross carrying amount:					
As at April 1, 2023	**40.02**	**3.07**	**7,418.40**	**7,461.49**	**-**
Additions	-	3.59	197.08	200.67	211.07
As at March 31, 2024	**40.02**	**6.66**	**7,615.48**	**7,662.16**	**211.07**
Additions	81.84	-	45.08	126.92	2,305.00
Deductions	-	-	13.20	13.20	-
As at March 31, 2025	**121.86**	**6.66**	**7,647.36**	**7,775.88**	**2,516.07**
Accumulated Depreciation					
As at April 1, 2023	**-**	**0.26**	**69.26**	**69.52**	**-**
For the year	-	1.63	308.92	310.55	-
As at March 31, 2024	**-**	**1.89**	**378.18**	**380.07**	**-**
For the year	-	2.11	310.53	312.64	-
Deductions	-	-	0.66	0.66	-
As at March 31, 2025	**-**	**4.00**	**688.05**	**692.05**	**-**
Net carrying amount:					
As at March 31, 2025	**121.86**	**2.66**	**6,959.31**	**7,083.83**	**2,516.07**
As at March 31, 2024	**40.02**	**4.77**	**7,237.30**	**7,282.09**	**211.07**

*Temporary structure

i) See note 11 for information on property, plant and equipment pledged as security by the Company.

ii) See note 21 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iii) Capital work-in-progress mainly comprises construction of solar plant.

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Ageing of capital work-in-progress

Particulars/ Projects	As at March 31, 2025				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress					
5 MW Solar project	2,305.00	211.07	-	-	2,516.07
Total	**2,305.00**	**211.07**	**-**	**-**	**2,516.07**

Capital work-in-progress includes overdue projects amounting to Rs 2,516.07 lakhs. Project are expected to be completed and capitalised in June 2025.

Particulars/ Projects	As at March 31, 2024				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress					
5 MW Solar project	211.07	-	-	-	211.07
Total	**211.07**	**-**	**-**	**-**	**211.07**

Capitalization of expenses

During the year, the Company has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Reimbursement of Salaries and wages	-	5.54
Interest (March 31, 2024 - Interest and reimbursement of Interest expenses*)	90.56	12.87
Gain on investments	(7.13)	-
Reimbursement of Depreciation	-	0.05
Reimbursement of Other Expenses	-	0.31
Total	**83.43**	**18.77**

*Reimbursement of interest and depreciation also relates to expenses pertaining to rental property for which right-of-use assets and lease liabilities have been recognised.

4(a). Other financial assets (Non-current)

Particulars	As at March 31, 2025	As at March 31, 2024
Bank deposits with maturity of more than twelve months*	30.34	150.20
Total	**30.34**	**150.20**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against Borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to INR 28.35 lakhs.

4(b). Other financial assets (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	170.20	145.20
Bank deposits with original maturity of more than twelve months*	160.05	-
Interest accrued on fixed deposits	0.01	-
Other receivables	8.53	2.62
Total	**338.79**	**147.82**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against Borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to INR 147.00 lakhs.

5(a). Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.50	1.88
Add: Taxes paid during the year	1.56	0.50
Less: Amount received during the year	-	(1.88)
Total	**2.06**	**0.50**

5(b). Deferred tax liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		-
Losses available for offsetting against future taxable income	818.63	591.64
Others	-	11.33
	818.63	**602.97**
Deferred tax liabilities		-
Property, plant and equipment	(813.38)	(636.80)
Ind AS impact on borrowings	(5.25)	-
	(818.63)	**(636.80)**
Total	**-**	**(33.83)**

The Company has tax losses of Rs. 5.82 lakhs (March 31, 2024: Nil) that are available for offsetting of future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs. 1.00 lakhs (March 31, 2024: Nil).

Particulars	Expiry date	As at March 31, 2025		As at March 31, 2024	
		Amount	Tax Impact	Amount	Tax Impact
Unabsorbed depreciation	No Expiry period	5.82	1.00	150.99	25.91
		5.82	**1.00**	**150.99**	**25.91**

The income tax expense consists of following:

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Current tax expense	-	-
Deferred tax benefit / (charge)	33.83	(33.83)
	33.83	**(33.83)**

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Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit and Loss is as follows:

Particulars	Year Ended March 31, 2025	Year Ended March 31, 2024
Loss before tax	(88.56)	(22.02)
Income tax rate	17.16%	17.16%
Expected tax expense/(credit)	(15.20)	(3.78)
Earlier year losses on which deferred tax asset has been recognised now	(18.63)	-
Others	-	37.61
Total tax expense/(credit)	**(33.83)**	**33.83**

6(a). Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	25.00	336.24
Prepaid expenses	2.64	3.60
Total	**27.64**	**339.84**

6(b). Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to suppliers*	-	5.90
Balances with government authorities	218.69	1.95
Prepaid expenses	13.30	11.34
Others	0.02	-
Total	**232.01**	**19.19**

*There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

7. Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
- Unbilled*	67.08	48.24
- Billed	-	-
Total	**67.08**	**48.24**
Trade receivables considered good - Unsecured	67.08	48.24
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	67.08	**48.24**
Less: Loss allowance	**-**	**-**
Total	**67.08**	**48.24**

No trade or other receivables are due from directors or officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivables are unbilled because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade Receivables ageing:

As at March 31, 2025

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments			Total
			Less than 6 months	6 months-1 year	More than 1 year	
(i) Undisputed Trade Receivables-considered good	67.08	-	-	-	-	67.08
Total	**67.08**	**-**	**-**	**-**	**-**	**67.08**

As at March 31, 2024

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments			Total
			Less than 6 months	6 months-1 year	More than 1 year	
(i) Undisputed Trade Receivables-considered good	48.24	-	-	-	-	48.24
Total	**48.24**	**-**	**-**	**-**	**-**	**48.24**

8(a). Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with bank		
- In current accounts	36.95	13.73
Total	**36.95**	**13.73**

8(b) Other bank balance

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with bank		
Deposits with original maturity of more than three months less than twelve months	-	28.61
Total	**-**	**28.61**

9. Equity Share Capital

a) Authorised share capital

Equity shares of ₹ 10 each

Particulars	No. of shares	Amount
As at April 1, 2023	**25,000,000**	**2,500.00**
Increase during the period	-	-
As at March 31, 2024	**25,000,000**	**2,500.00**
Increase during the year	-	-
As at March 31, 2025	**25,000,000**	**2,500.00**

b) Issued, Subscribed and Paid up share capital

Equity shares of ₹ 10 each

Particulars	No. of shares	Amount
As at April 1, 2023	**22,000,000**	**2,200.00**
Changes during the period	-	-
As at March 31, 2024	**22,000,000**	**2,200.00**
Changes during the year	-	-
As at March 31, 2025	**22,000,000**	**2,200.00**

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Equity shares held by holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Private Limited (including 2 shares held by nominee shareholders)	16,240,000	1,624.00	16,240,000	1,624.00
Equity shares of Rs 10 each				

e) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited, India		
% Holding	73.82%	73.82%
No. of shares	16,240,000	16,240,000
(ii) Magna Electro Castings Limited		
% Holding	6.55%	6.55%
No. of shares	1,440,000	1,440,000
(iii) Elgi Equipments Limited		
% Holding	6.55%	6.55%
No. of shares	1,440,000	1,440,000
(iv) Sundram Fasteners Limited		
% Holding	8.72%	8.72%
No. of shares	1,918,800	1,918,800

f) Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited, India	16,240,000	73.82%	16,240,000	73.82%	-

g) Aggregate number of shares issued for consideration other than cash :

There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately proceeding the reporting date.

10 : Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings		
Opening Balance	(178.12)	(122.27)
Add: Loss for the year	(54.73)	(55.85)
Total	**(232.85)**	**(178.12)**

11(a). Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans from Bank		
Indian rupee loans from bank*	5,016.41	5,225.11
Less: Current maturities of long-term borrowings (included in current borrowings)	222.09	211.96
	4,794.32	**5,013.15**
Unsecured Loan		
From holding company	-	132.00
Total	**4,794.32**	**5,145.15**

*After considering unamortised expense of Rs. 30.59 lakhs (March 31, 2024: 33.85 lakhs).

Aggregate secured borrowings	4,794.32	5,013.15
Aggregate unsecured borrowings	-	132.00

(a) Loans are measured at amortised cost.

Details	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Indian rupee loan from bank	March 31, 2042	Repayable in 77 structured quarterly instalments from March 31, 2023	9.35% (Interest rate is 3M MCLR p.a +0.70% p.a)	4,203.44	4,310.08
Indian rupee loan from bank	June 30, 2042	Repayable in 77 structured quarterly instalments from March 31, 2023	9.35% (Interest rate is 3M MCLR p.a +0.70% p.a)	812.97	915.03
Loan from Holding company	November 22, 2025	Repayable in single/multiple tranches along with the accumulated interest thereon.	8.60%	-	132.00

Note: As at March 31, 2025, the Company has not complied with some of the covenants under loan agreements in respect of secured borrowings from bank of Rs. 5,016.41 lakhs. The Company has received confirmation from the Bank that the said borrowing will not be recalled as a consequence of such breach.

(b) Details of security

Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total shares of the Company held by the holding company.

11(b). Current Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of long term borrowings from bank	222.09	211.96
Unsecured loans		
Loan from Holding Company	3,119.00	747.00
Total	**3,341.09**	**958.96**
Aggregate secured borrowings	222.09	211.96
Aggregate unsecured borrowings	3,119.00	747.00

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from Holding company	May 16, 2025 (March 31, 2024 - 180 days)	Repayable on or before maturity date (March 31, 2024 - Repayable in single/ multiple tranches along with the accumulated interest thereon)	8.95% (March 31, 2024 - 8.15%)	3,119.00	747.00

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	(8,135.41)	(6,104.11)
Cash and cash equivalents	36.95	13.73
Other bank balance	-	28.61
Interest accrued	(23.20)	(19.70)
Net debt	**(8,121.66)**	**(6,081.47)**

Particulars	Other assets		Liabilities from financing activities	Total
	Cash and bank balance	Other Bank Balances	Borrowings	
Net debt as at April 1, 2023	**185.49**	**-**	**(5,454.45)**	**(5,268.96)**
Cash flows	(171.76)	28.61	(649.66)	(792.81)
Foreign exchange adjustment	-	-	-	-
Interest expenses	-	-	(527.42)	(527.42)
Interest paid	-	-	520.59	520.59
Interest Capitalised	-	-	(12.87)	(12.87)
Net debt as at March 31, 2024	**13.73**	**28.61**	**(6,123.81)**	**(6,081.47)**
Cash flows	23.22	(28.61)	(2,028.04)	(2,033.43)
Interest expenses	-	-	(513.52)	(513.52)
Interest paid	-	-	597.32	597.32
Interest Capitalised	-	-	(90.56)	(90.56)
Net debt as at March 31, 2025	**36.95**	**-**	**(8,158.61)**	**(8,121.66)**

During the year, the Company has used all the borrowings for the specific purpose for which they have been obtained.

12. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises	12.21	1.98
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Related parties	42.15	8.17
ii) Others	4.94	18.96
Total	**59.30**	**29.11**

Ageing schedule for trade payables

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	11.74	0.05	0.02	0.40	-	-	12.21
(ii) Others	4.16	17.60	17.21	8.12	-	-	47.09
Total	**15.90**	**17.65**	**17.23**	**8.52**	**-**	**-**	**59.30**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	1.58	-	0.40	-	-	-	1.98
(ii) Others	18.96	3.23	4.94	-	-	-	27.13
Total	**20.54**	**3.23**	**5.34**	**-**	**-**	**-**	**29.11**

13. Other current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipment	125.88	31.71
Interest accrued but not due on loans	23.20	19.70
Total	**149.08**	**51.41**

14. Other Current Liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory tax payables	23.83	0.95
Total	**23.83**	**0.95**

15. Revenue from Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contract with customers:		
Revenue from Power Supply	855.46	845.27
Total	**855.46**	**845.27**

Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	855.46	845.27
At a point-in-time basis	-	-
Total revenue from contracts with customers	**855.46**	**845.27**

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

ii) Revenue by geographical market:		
Within India	855.46	845.27
Outside India	-	-
Total revenue from contracts with customers	**855.46**	**845.27**

iii) Reconciliation between revenue recognised in Statement of profit and loss and contract price

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract price	**875.46**	**845.27**
Adjustments for:		
Customer claims	(20.00)	-
Total Revenue recognised	**855.46**	**845.27**

iv) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

16. Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net gain on disposal of property, plant & equipment	0.53	-
Interest income from financial assets at amortised cost	13.11	5.21
Net reversal of corporate overhead allocation*	-	59.03
Miscellaneous income	0.59	0.39
Total	**14.23**	**64.63**

*During the previous year, the Holding Company has revised the method of charging common expenditure to its subsidiaries including for the amount already charged during the year ended March 31, 2023. This resulted in savings of Rs.70.62 lakhs. Amount disclosed is after net off expenses charged during the previous year.

17. Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost		
-bank	486.28	515.43
-holding company	117.80	24.86
Less: Interest Capitalised during the period	(90.56)	(12.87)
Total	**513.52**	**527.42**

18. Depreciation Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	312.64	310.55
Total	**312.64**	**310.55**

19. Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Operation & Maintenance Charges	44.88	36.58
Site Expenses	24.05	14.32
Rent expenses	0.72	0.20
Repairs & Maintenance	2.36	-
Rates and taxes	4.79	3.06
Insurance	13.11	10.19
Travelling and conveyance	2.16	7.53
Communication expenses	0.02	0.09
Printing and stationery	0.04	0.07
Legal and professional fees	13.08	11.20
Auditor's remuneration (Refer note below)	1.77	1.77
Technical charges	3.10	2.25
Directors' Sitting fees	3.89	3.30
Management fees	17.51	-
Miscellaneous expenses	0.61	3.39
Total	**132.09**	**93.95**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current and previous year.

Note: Auditor's remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory Audit Fees (Including GST)	1.77	1.77
Total	**1.77**	**1.77**

20. Loss per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Loss attributable to the Equity shareholders of the Company	(54.73)	(55.85)
Weighted average number of Equity shares of Rs.10/- each	2,20,00,000	2,20,00,000
Basic and Diluted Loss per share	**(0.25)**	**(0.25)**

21. Contingent Liabilities and commitments

Contingent liabilities

There are no liabilities of contingent nature.

Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 637.40 lakhs (March 31, 2024: Rs 2,550.22 lakhs).

22. Related party disclosures

A Immediate Holding Company

First Energy Private Limited

B Ultimate Holding Company

RDA Holding Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

D Key management personnel:

1 Mr. Ravi Damaraju - Director
2 Mr. Mitish Somani - CFO (till April 5, 2024)
3 Mr. Sumit Rathi- CFO (w.e.f. May 5, 2024)
4 Mr. Sanjay Parande - Independent Director
5 Mr. Ashok Joshi - Independent Director
6 Ms. Sampada Sakhare - Company Secretary (till February 7, 2025)
7 Mrs. Anjali Lothe - Director
8 Mr. Pranav Pimpale - Company Secretary (w.e.f. April 28, 2025)

E Enterprises with whom transactions have taken place during the year, over which control is exercised by KMP of Intermediate holding company:

1 Elgi Equipments Limited, India (till June 30, 2024)

F Transactions with Related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
With Immediate Holding Company		
Interest expenses	117.80	24.86
Loan Taken	2,553.00	879.00
Loan Repaid	313.00	90.00
Management fees	17.51	-
Reimbursement of expenses	13.16	18.14
Reversal of corporate overheads (net)	-	59.03
EPC services availed (Capital expenditure)	1,685.18	-
Intermediate Holding Company		
Operation and Maintenance expenses	-	39.48
Purchase of property, plant and equipment	23.78	-
Enterprises over which control is exercised by KMP of Intermediate holding company:		
Revenue from operations	53.14	220.48
Key management personnel compensation		
Short term employee benefits (Director sitting fees)	3.89	3.30

G Outstanding balances

Particulars	As at March 31, 2025	As at March 31, 2024
Holding Company		
Loan payable	3,119.00	879.00
Trade payables	35.71	8.17
Payable for property, plant and equipment	122.80	5.90
Interest payable	23.20	19.57
Intermediate Holding Company		
Other receivable	5.81	5.34
Enterprises over which control is exercised by KMP of Intermediate holding company:		
Trade Receivable	-	21.41

H Terms and conditions for outstanding balances

All outstanding balances are unsecured, interest free except for borrowings, and payable in cash. For details of interest on borrowings, refer note 11.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

23. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables	59.30	29.11
Borrowing	8,135.41	6,104.11
Other liabilities	149.08	51.41
Total	**8,343.79**	**6,184.63**
Current liabilities	3,549.47	1,039.48
Non-current liabilities	4,794.32	5,145.15
Total	**8,343.79**	**6,184.63**

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	67.08	48.24
Cash and cash equivalents	36.95	13.73
Other bank balances	-	28.61
Other financial assets	369.13	298.02
Total	**473.16**	**388.60**
Current assets	442.82	238.40
Non-current assets	30.34	150.20
Total	**473.16**	**388.60**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

24. Financial risk management

"The Company's principal financial liabilities comprise borrowings, trade and 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 and cash and cash equivalents are derived directly from its operations.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Management of the Company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the Company reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk and currency risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2025	March 31, 2024
Variable rate borrowings	5,016.41	5,225.11

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

	March 31, 2025	March 31, 2024
Interest rates - Increase by 25 basis points (March 31, 2024 - 50 basis points)	(12.91)	(26.92)
Interest rates - Decrease by 25 basis points (March 31, 2024 - 50 basis points)	12.91	26.92

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company has not entered into any foreign currency transaction during the current year and comparative period and hence not exposed to any foreign currency risk.

II 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 security deposits) and from its investing activities, including deposits with banks.

Expected credit loss for

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes above. There is no charge of impairment to Statement of profit and loss.

Expected credit loss for trade receivable under simplified approach

Trade receivables	As at March 31, 2025		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	67.08	0%	-
Total	**67.08**	**0%**	**-**

Trade receivables	As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	48.24	0%	-
Total	**48.24**	**0%**	**-**

Balances with Banks

Credit risk from balances with banks is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits which is considered to be low risk. No loss allowance is required to be recognised for the same.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2025

	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	3,341.09	448.98	459.54	3,906.64
Trade Payables	59.31	-	-	-
Other financial liabilities	149.08	-	-	-

March 31, 2024

	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	958.96	577.78	459.54	4141.68
Trade Payables	29.11	-	-	-
Other financial liabilities	51.41	-	-	-

25. Analytical ratios

S. No.	Particulars	Numerator	Denominator	For the year ended March 31, 2025	For the year ended March 31, 2024	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current Assets	Current Liabilities	0.19	0.25	-24%	Not applicable
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	4.14	3.02	37%	Due to increase in borrowings for expansion project
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest + Principal Repayments)	0.71	1.01	-30%	Due to increase in borrowings for expansion project
4	Return on Equity	Net Profits after taxes	Average Shareholder's Equity	-2.74%	-2.72%	1%	Not applicable
5	Return on Investment	Investment income	Average investment	7.10%	3.17%	124%	Due to increase in investment income yield
6	Trade Receivables turnover Ratio	Total Sales	Average Trade Receivable	14.84	13.63	9%	Not applicable
7	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	2.99	1.42	111%	Increase due to significant decrease in average trade payables
8	Net capital turnover Ratio	Total Sales	Working Capital	-0.30	-1.08	-73%	Due to decrease in working capital
9	Return on Capital employed	Earning before interest and taxes	Capital Employed	4.21%	6.22%	-32%	Due to increase in capital employed on account of borrowing availed for project expansion
10	Net Profit Ratio	Net Profits after taxes	Revenue	-6.40%	-6.61%	-3%	Not applicable

Working Capital = Current assets less Current liabilities

Capital employed = Tangible Net worth + total debt

Average = (Opening + Closing)/2

26. Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

	As at March 31, 2025	As at March 31, 2024
Borrowings including accrued interest	8,158.61	6,123.81
Less: Cash and cash equivalents (includes other bank balances)	36.95	42.34
Net debt	**8,121.66**	**6,081.47**
Equity	1,967.15	2,021.88
Net Debt to Equity	**4.13**	**3.01**

Net debt to equity has increased in current year on account of additional borrowings availed during the year for expansion project.

Loan Covenants

The Borrower shall, during the entire tenor of the Facility, ensure that: (a) the Security Cover Ratio shall be above 1.1:1

(b) its Debt to Equity Ratio should not be greater than 3:1 and

(c) its Debt Service Coverage Ratio does not fall below 1.15:1

The financial covenant shall be tested based on the audited financial statements every year from first full year of commercial operation. Some of the debt covenants were not complied as at March 31, 2025, refer note 11 for details.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

27. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount dues to micro and small enterprises	12.21	1.98
- Interest due thereon	0.08	0.12
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of principal made to the supplier beyond the appointed day during the year	20.14	14.40
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.27	0.37
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.35	0.49
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.84	0.49

28. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

29. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

(iv) There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

30. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with the regulations.

31. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy TN 1 Private Limited

Anjali Lothe
Director
DIN : 10134848

Ravi Damaraju
Director
DIN : 09554649

Pranav Pimpale
Company Secretary

Sumit Rathi
Chief Financial Officer

Place: Pune
Date : April 28, 2025

First Energy 2 Private Limited

Board of Directors
Ravi Damaraju
Sandeep Mandke
Sanjay Parande
Ashok Joshi

Registered Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personnel
Prakash Patil, Chief Executive Officer
Amit Kodere, Chief Financial Officer
Omkar Bhide, Company Secretary

Bankers
Yes Bank Limited

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure to present the Third Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	438.22	456.32
Profit before finance cost, depreciation, and tax	369.75	367.51
Finance Cost	235.34	261.23
Profit before depreciation and tax	134.41	106.28
Depreciation and impairment	149.1	149.66
Profit/(Loss) before tax	(14.7)	(43.38)
Provision for taxation (incl. deferred tax)	-	-
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(14.7)	(43.38)

State of Company's Affairs

The Company's Solar plant of 7.5MWp has been in stable operation since commissioning in March 2023.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affects the financial position of the Company.

Dividend

The directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the Company. The Paid-up Share Capital of the Company is Rs. 11,53,50,050 divided into 1,15,35,005 Equity Shares of Rs.10 each. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements. During the year, the Company did not give any guarantee.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its Renewable Energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involved the risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The major risk identified by the Company is generation loss due to lower radiation and Grid failures. The Company continuously studies the radiation levels with historical data from reliable sources. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involves the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using water cleaning modules at regular frequency.

The Board at its meetings periodically reviews and monitors these risks and their mitigation plan.

Health and Safety

Across all its operational assets, sites and offices, the Company implements policies that covers Health and safety. The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalisation: - HSE digital software implemented for hazard reporting and risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ravi Damaraju (DIN: 09554649) retires by rotation and being eligible offers, himself for re-appointment. The proposal of re-appointment forms part of the Notice of the Third AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani (DIN: 01853530) resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Omkar Bhide was appointed as the Company Secretary and Key Managerial Personnel (KMP) of the Company with effect from May 2, 2024.
- Mr. Abhishek Kangokar was appointed as the Chief Financial Officer (CFO) & KMP of the Company with effect from May 2, 2024 and he resigned as the CFO & KMP of the Company with effect from July 22, 2024. Further, Mr. Amit Kodere was appointed as the CFO & KMP of the Company with effect from January 23, 2025.

Policy on appointment and remuneration of directors and key managerial personnel

The Board has adopted a policy on selection and appointment of Directors and remuneration of Directors, KMPs and employees. The Directors do not receive any remuneration except independent directors who are entitled to sitting fees as approved by the Board for each Board/Committee meeting attended. A detailed policy is annexed herewith as Annexure 1 and forms part of this report.

Declaration by Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added in the data bank maintained by the Indian Institute of Corporate Affairs for independent directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. However, an individual who has fulfilled the criteria prescribed in Rule 6(4) of the said Rules, is exempted from passing the online proficiency self-assessment test. In view of the same, Mr. Sanjay Parande, having met the aforesaid criteria, was exempted from the proficiency self-assessment test and Mr. Ashok Joshi has passed the proficiency self-assessment test.

The Board is of the opinion that the Directors of the Company are eminent persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

Board Meetings

During the year, the Board met four times on May 2, 2024, July 22, 2024, October 28, 2024 and January 23, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Independent directors meeting

During the year under review, the independent directors met once on January 23, 2025 where all independent directors were present inter alia to review the performance of the Board and non-independent directors of the Company.

Committees of the Board

The Board has constituted the following committees viz. Audit Committee and Nomination and Remuneration Committee.

Audit Committee

The Audit Committee of the Board of Directors was constituted on May 9, 2023. The committee as on March 31, 2025 comprises of all directors being non-executive directors viz Mr. Sanjay Parande as the Chairman and Mr. Ashok Joshi & Mr. Sandeep Mandke as members of the committee. The Committee was reconstituted by the Board by a resolution passed by circulation on April 17, 2024 and Mr. Sandeep Mandke was inducted as a member of the Committee. The committee met four times during the year on May 2, 2024, July 22, 2024, October 28, 2024 and January 23, 2025. Further, all the recommendations made by the audit committee were accepted by the Board.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Board of Directors was constituted on May 9, 2023. The committee comprises of all directors being non-executive directors viz Mr. Ashok Joshi as the Chairman and Mr. Sanjay Parande & Mr. Ravi Damaraju as members of the committee. The committee met twice on May 2, 2024 and January 23, 2025.

Director's Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings

First Energy 2 Private Limited

(SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar and associated Renewable energy generation sources for commercial & industrial customers.

As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning. In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

In the case of Technology absorption, the Company used higher rated (>540Wp) Monoperc PV modules with better efficiency, a structure designed to string type Solar Inverters designed for outdoor installation

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the company is a Subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

- Grid tariffs for next FY 2025-26 was proposed by the state distribution company. The proposed changes included solar hour discounts and reduced banking benefits, which if implemented, would have led to reduced captive arbitrage for the Company's customers. The Holding Company represented its objections on the proposal, to the state commission. The final provisions (under consideration with state commission) have reduced solar hours discounts, retention of banking facility and a request to institutionalize battery capacities for solar open access projects in the state, thereby having positive impact to business.

- The State energy department-initiated process for formulating state's Integrated Energy Policy. The Holding company is part of the engagement and has tabled suggestions/policy recommendations for captive open access projects, and battery projects in the state.

Auditors

Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five year from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work and support.

For and on behalf of the Board of Directors of
First Energy 2 Private Limited

Sandeep Mandke	**Ravi Damaraju**
Director	Director
DIN: 09619581	DIN: 09554649

Pune, April 28, 2025

Annexure 1

Policy on Selection and Appointment of Directors and Remuneration of Directors, KMPs and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Non-Executive Directors (NEDs), based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict-of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration:

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD, WTD & CEO:

i. At the time of appointment or re-appointment, the Managing Director (MD), Whole Time Director (WTD) and Chief Executive Officer (CEO) shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the MD, WTD and CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD, WTD and CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD, WTD and CEO, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/ employees and KMPs shall ensure the following:

(i) The remuneration is divided into Fixed component & Variable Component.

(ii) The division is based on the fixed salary and performance bonuses.

(iii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

Based on the Annual Business Plan prepared, Individual Contribution Plan (ICP) is prepared by the Senior Management which is agreed upon. It broadly contains certain targets for strategic objectives, operational excellence-oriented initiatives, and business deliverables. The actual performance of individual repartee will be discussed by the MD and CEO at the year's end. Based on the appraisal and overall performance of the Company and after considering the market trends, suitable increments/ variable pay shall be decided by the MD and CEO.

The MD & CEO will present a snapshot of the evaluation carried out to assess the performance of the Whole-time Director, while recommending the annual increment of the NRC, for its review and approval.

First Energy 2 Private Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy 2 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 2 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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

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

13. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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:

        ii. The Company does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 29 (viii) to the financial statements, 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, as disclosed in the Note 29 (viii) to the financial statements, 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; and

            (c) Based on such audit procedures that we 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 or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number: 134593

UDIN: 25134593BMJQIX2046
Place: Pune
Date: May 7, 2025

First Energy 2 Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy 2 Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 2 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number: 134593

UDIN: 25134593BMJQIX2046
Place: Pune
Date: May 7, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of First Energy 2 Private Limited on the financial statements as of and for the year ended March 31, 2025.

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) The particulars of statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Amount paid under protest (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax (including interest and penalty if applicable)	273,598	-	AY 23-24	Assessing Officer (CPC), Bangalore

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans during the year ended March 31, 2025 and there was no unutilized balance of term loan obtained in earlier years as on April 1, 2024. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by

the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number: 134593

UDIN: 25134593BMJQIX2046
Place: Pune
Date: May 7, 2025

Balance Sheet as at 31.03.2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	3,571.83	3,722.55
Financial assets			
(a) Other financial assets	4(a)	5.37	5.37
Deferred tax assets (net)	5(a)	-	-
Income tax assets (net)	5(b)	0.97	0.47
Total non-current assets		**3,578.17**	**3,728.39**
II. Current assets			
Financial assets			
(a) Trade receivables	6	43.03	41.14
(b) Cash and cash equivalents	7(a)	78.57	40.77
(c) Bank balance other than (b) above	7(b)	93.31	87.38
(d) Other financial assets	4(b)	0.31	0.02
Other current assets	8	7.26	7.02
Total current assets		**222.48**	**176.33**
Total Assets		**3,800.65**	**3,904.72**
Equity and Liabilities			
III. Equity			
Equity share capital	9	1,153.50	1,153.50
Other equity	10	(121.41)	(106.75)
Total equity		**1,032.09**	**1,046.75**
Liabilities			
IV. Non-current liabilities			
Financial liabilities			
(a) Borrowings	11(a)	2,470.81	2,655.03
Total Non-current liabilities		**2,470.81**	**2,655.03**
V. Current liabilities			
Financial liabilities			
(a) Borrowings	11(b)	229.76	144.37
(b) Trade payables	12		
i) total outstanding dues of micro enterprises and small enterprises		14.63	7.22
ii) total outstanding dues other than (i) above		2.73	5.98
(c) Other financial liabilities	13	50.02	35.22
Other current liabilities	14	0.61	10.15
Total current liabilities		**297.75**	**202.94**
Total equity and liabilities		**3,800.65**	**3,904.72**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Income			
Revenue from operations	15	421.48	424.86
Other income	16	16.80	31.46
Total income		**438.28**	**456.32**
Expenses			
Finance costs	17	235.34	261.23
Depreciation expense	18	149.13	149.66
Other expenses	19	68.47	88.81
Total expenses		**452.94**	**499.70**
Loss before tax		**(14.66)**	**(43.38)**
Tax expense	**5**		
Current tax		-	-
Deferred tax		-	-
Total tax expense		**-**	**-**
Loss for the year		**(14.66)**	**(43.38)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(14.66)**	**(43.38)**
Loss per equity share			
Basic & Diluted [nominal value per share ₹ 10]	20	**(0.13)**	**(0.38)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of First Energy 2 Private Limited

Sandeep Mandke
Director
DIN : 09619581
Place : Houston Texas, USA

Ravi Damaraju
Director
DIN : 09554649

Prakash Patil
Chief Executive Officer

Amit Kodere
Chief Financial Officer

Omkar Bhide
Company Secretary

Place: Pune
Date : April 28, 2025

First Energy 2 Private Limited

Statement of Cash flows for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows from operating activities**		
	Loss before tax	(14.66)	(43.38)
	Adjustments for		
	Depreciation expenses	149.13	149.66
	Finance costs	235.34	261.23
	Interest income from financial assets at amortised cost	(7.78)	(3.31)
	Provision no longer required written back	(8.99)	-
	Working capital adjustments		
	(Increase) in trade receivables	(1.89)	(41.14)
	(Increase) in other financial assets	(0.26)	-
	(Increase) in other assets	(0.24)	(0.33)
	Increase/ (decrease) in trade payables	4.16	(29.28)
	Increase/ (decrease) in other liabilities	(0.55)	7.72
	Increase/ (decrease) in other financial liabilities	(1.59)	0.78
	Cash generated from operating activities	**352.67**	**301.95**
	Income taxes paid	(0.50)	(9.53)
	Net cash generated from operating activities	**352.17**	**292.42**
B)	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(0.07)	(133.56)
	Proceeds from disposal of property, plant and equipment	1.59	-
	Fixed deposits placed with banks	(5.93)	(87.38)
	Interest received	7.75	3.29
	Net cash flows from /(used in) investing activities	**3.34**	**(217.65)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	-	246.00
	Repayment of borrowings	(89.37)	(81.46)
	Transaction cost for availing borrowing	-	(8.61)
	Interest paid	(228.34)	(248.59)
	Net cash flows used in financing activities	**(317.71)**	**(92.66)**
	Net increase/(decrease) in cash and cash equivalents	**37.80**	**(17.89)**
	Cash and cash equivalents at the beginning of the financial year	40.77	58.66
	Cash and cash equivalents at the end of the financial year	**78.57**	**40.77**

Reconciliation of cash and cash equivalents as per the cash flow statement:

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents (refer note no. 7 (a))	78.57	40.77
Balances as per Statement of Cash Flows	**78.57**	**40.77**

Notes:

i) Statement of Cash Flows has been prepa.red under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer Note 11 for Net debt reconciliation

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 2 Private Limited

Sandeep Mandke
Director
DIN : 09619581
Place : Houston Texas, USA

Ravi Damaraju
Director
DIN : 09554649

Prakash Patil
Chief Executive Officer

Amit Kodere
Chief Financial Officer

Omkar Bhide
Company Secretary

Place: Pune
Date : April 28, 2025

Statement of changes in equity as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at April 1, 2023	**1,153.50**
Issued during the period	-
As at March 31, 2024	**1,153.50**
Issued during the year	-
As at March 31, 2025	**1,153.50**

B Other Equity

Particulars	Retained Earnings	Total
As at April 1, 2023	(63.37)	(63.37)
Loss for the year	(43.38)	(43.38)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(106.75)**	**(106.75)**
As at March 31, 2024	**(106.75)**	**(106.75)**
Loss for the year	(14.66)	(14.66)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(14.66)**	**(14.66)**
As at March 31, 2025	**(121.41)**	**(121.41)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 2 Private Limited

Sandeep Mandke
Director
DIN : 09619581
Place : Houston Texas, USA

Ravi Damaraju
Director
DIN : 09554649

Prakash Patil
Chief Executive Officer

Amit Kodere
Chief Financial Officer

Omkar Bhide
Company Secretary

Place: Pune
Date : April 28, 2025

First Energy 2 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy 2 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on March 30, 2022 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business as a producer of solar power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 28, 2025. The CIN of the Company is U40300PN2022PTC209863.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention;

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in power purchase agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

At the end of each reporting period, the Company updates the estimated transaction price to represent the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Company accounts for such changes in the transaction price (including claims). Consideration / claim payable to a customer includes cash amounts that an entity pays to the customer. The Company accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct goods or service that the customer transfers to the entity. The consideration payable to a customer includes a variable amount.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in Statement of Cash Flows.

2.3. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. There are currently no debt securities which are carried at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurementt

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Property, plant and equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

j. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

k. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

l. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

m. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected generation based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would lead to recoverable amount and conclusion on impairment assessment.

ii. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

iii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget over the useful life of assets as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows. The estimates involved includes long term debt cost, cost of equity and long term debt equity ratio.

iv. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

v. Deferred taxes

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

3. Property, plant and equipment (including capital work-in-progress)

Particulars	Land Freehold	Solar Power Plant	Total	Capital work-in-progress
Gross carrying amount:				
As at April 1, 2023	**103.26**	**-**	**103.26**	**3,761.77**
Additions	-	3,768.95	3,768.95	7.18
Deductions	-	-	-	3,768.95
As at March 31, 2024	**103.26**	**3,768.95**	**3,872.21**	**-**
Additions	-	-	-	-
Deductions	-	1.59	1.59	-
As at March 31, 2025	**103.26**	**3,767.36**	**3,870.62**	**-**
Accumulated Depreciation				
As at April 1, 2023	-	-	-	-
For the year	-	149.66	149.66	-
As at March 31, 2024	**-**	**149.66**	**149.66**	**-**
For the year	-	149.13	149.13	-
As at March 31, 2025	-	298.79	298.79	-
Net carrying amount:				
As at March 31, 2025	**103.26**	**3,468.57**	**3,571.83**	**-**
As at March 31, 2024	**103.26**	**3,619.29**	**3,722.55**	**-**

i) See note 11 for information on property, plant and equipment pledged as security by the Company.

ii) See note 21 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4(a). Other financial assets (Non-current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	5.37	5.37
Total	**5.37**	**5.37**

First Energy 2 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

4(b) Other Financial Assets (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Interest accrued on fixed deposits	0.05	0.02
Other receivables	0.26	-
Total	**0.31**	**0.02**

5(a). Deferred tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax asset		
Losses available for offsetting against future taxable income	375.67	228.85
Total	**375.67**	**228.85**
Deferred tax liability		
Property, plant and equipment	(362.54)	(227.16)
Others	(13.13)	(1.70)
Total	**(375.67)**	**(228.85)**
Net Deferred tax asset	**-**	**-**

The Company has tax losses of Rs. 0.67 lakhs (March 31, 2024: 92.18) that are available for offsetting of future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs. 0.11 lakhs (March 31, 2024: 15.82).

Particulars	Expiry date (Year Ending March 31)	As at March 31, 2025		As at March 31, 2024	
		Amount	Tax Impact	Amount	Tax Impact
Unabsorbed depreciation	No expiry period	0.67	0.11	92.18	15.82
Total		**0.67**	**0.11**	**92.18**	**15.82**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit and Loss is as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Loss before tax	(14.66)	(43.38)
Income tax rate	17.16%	17.16%
Expected tax expense/(credit)	(2.52)	(7.44)
Losses on which deferred tax asset has not been recognised	2.52	7.44
Total tax expense	**-**	**-**

5(b). Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.47	(9.06)
Add: Tax liability (Including interest)	-	-
Less: Taxes paid during the year including withholding tax	0.82	9.53
Less: Income tax refund received	(0.32)	-
Closing balance	**0.97**	**0.47**

6. Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
- Unbilled*	43.03	41.14
- Billed	-	-
Total	**43.03**	**41.14**
Break-up for security details:		
Trade receivables considered good - Unsecured	43.03	41.14
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	43.03	**41.14**
Less: impairment allowance	**-**	**-**
Total	**43.03**	**41.14**

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivables is 'unbilled' because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade Receivables ageing:

As at March 31, 2025

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables-considered good	43.03	-	-	-	-	-	-	43.03
Total	**43.03**	**-**	**-**	**-**	**-**	**-**	**-**	**43.03**

As at March 31, 2024

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Receivables-considered good	41.14	-	-	-	-	-	-	41.14
Total	**41.14**	**-**	**-**	**-**	**-**	**-**	**-**	**41.14**

7(a). Cash and Cash Equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with Bank		
- in current accounts	23.12	30.77
- in deposits with original maturity of less than three months	55.45	10.00
Total	**78.57**	**40.77**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

7(b) Other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with bank		
Deposits with original maturity of more than three months but less than twelve months*	93.31	87.38
Total	**93.31**	**87.38**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against Borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to INR 90.35 lakhs.

8. Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	7.26	7.02
Total	**7.26**	**7.02**

9. Equity Share capital

a) Authorised Equity Share Capital

Equity shares of ₹ 10 each

Particulars	No. of shares	Amount
As at April 1, 2023	**12,000,000**	**1,200.00**
Increase during the year	-	-
As at March 31, 2024	**12,000,000**	**1,200.00**
Increase during the year	-	-
As at March 31, 2025	**12,000,000**	**1,200.00**

b) Issued, Subscribed and Paid up Share Capital

Equity shares of ₹ 10 each

Particulars	No. of shares	Amount
As at April 1, 2023	**11,535,005**	**1,153.50**
Changes during the period	-	-
As at March 31, 2024	**11,535,005**	**1,153.50**
Changes during the year	-	-
As at March 31, 2025	**11,535,005**	**1,153.50**

c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Equity shares held by holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Private Limited (including 6 shares held by nominee shareholders)	8,535,005	853.50	8,535,005	853.50
Equity shares of Rs 10 each				

e) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited		
% Holding	73.99%	73.99%
No. of shares	8,534,999	8,534,999
(ii) Heubach Colorants India Limited		
% Holding	26.01%	26.01%
No. of shares	3,000,000	3,000,000

f. Shares held by promoters at the end of the period

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited	73.99%	8,535,005	73.99%	0.00%	0.00%

g) Aggregate number of shares issued for consideration other than cash :

There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately proceeding the reporting date.

10. Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening Balance	(106.75)	(63.37)
Add : Loss for the year	(14.66)	(43.38)
Total	**(121.41)**	**(106.75)**

11(a). Borrowings (Non-current)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans from Bank		
Indian rupee loans from banks*	2,465.57	2,564.40
Less: Current maturities of long-term borrowings (included in current borrowings)	94.76	89.37
	2,370.81	**2,475.03**
Unsecured loans		
From holding company	180.00	180.00
Less: Current maturities of long-term borrowings (included in current borrowings)	80.00	-
	100.00	180.00
Total	**2,470.81**	**2,655.03**

* After considering unamortised transaction cost of Rs.76.49 lakhs as at March 31, 2025 (March 31, 2024: Rs 77.42 lakhs)

Aggregate secured borrowings	2,370.81	2,475.03
Aggregate unsecured borrowings	100.00	180.00

Loans are measured at amortised cost.

Details	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Indian rupee loan from bank	June 30, 2042	76 structured quarterly Instalment start from 30th September, 2023	8.52% p.a. (Interest rate 3 M T Bill + 1.97% Spread)	2,465.57	2,564.40
Loan from holding company	September 30, 2026	Repayable on maturity date	8.60%	100.00	100.00
Loan from holding company	September 30, 2025	Repayable on maturity date	8.60%	80.00	80.00

Note: As at March 31, 2025 & March 31, 2024, the Company has not complied with some of the covenants under loan agreements in respect of secured borrowings from bank of Rs. 2,465.57 lakhs (March 31, 2024 - Rs. 2,564.40 lakhs). The Company has received confirmation from the Bank that the said borrowing will not be recalled as a consequence of such breach.

Details of security

Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of the total shares of the Company, held by the holding company.

11 (b) Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of long term borrowings	94.76	89.37
Unsecured loans		
Loan from holding company	55.00	55.00
Current maturities of loan from holding company	80.00	-
Total	**229.76**	**144.37**
Aggregate secured borrowings	94.76	89.37
Aggregate unsecured borrowings	135.00	55.00

Unsecured borrowings:

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from Holding Company	June 27, 2025 (March 31, 2024 - September 30, 3034)	Single payment at end of term	8.45%	55.00	55.00

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	(2,700.57)	(2,799.40)
Interest accrued	(50.02)	(33.56)
Cash and cash equivalents	78.57	40.77
Other bank balances	93.31	87.38
Net debt	**(2,578.71)**	**(2,704.81)**

Particulars	Other assets		Liabilities from financing activities	Total
	Cash and bank balance	Other Bank Balances	Borrowings	
Net debt as at April 1, 2023	**58.66**	**-**	**(2,664.39)**	**(2,605.73)**
Cash flows	(17.89)	87.38	(155.93)	(86.44)
Interest capitalized	-	-	(261.23)	(261.23)
Interest paid	-	-	248.59	248.59
Net debt as at March 31, 2024	**40.77**	**87.38**	**(2,832.96)**	**(2,704.81)**
Cash flows	37.80	5.93	89.37	133.10
Interest cost	-	-	(235.34)	(235.34)
Interest paid	-	-	228.34	228.34
Net debt as at March 31, 2025	**78.57**	**93.31**	**(2,750.59)**	**(2,578.71)**

12. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises	14.63	7.22
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Related parties	-	4.15
ii) Others	2.73	1.83
Total	**17.36**	**13.20**

Ageing schedule for trade payables

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	14.40	0.12	0.01	-	0.10	-	14.63
(ii) Others	2.51	0.09	0.13	-	-	-	2.73
Total	**16.91**	**0.21**	**0.14**	**-**	**0.10**	**-**	**17.36**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	7.06	0.06	-	0.10	-	-	7.22
(ii) Others	3.62	0.16	2.20	-	-	-	5.98
Total	**10.68**	**0.22**	**2.20**	**0.10**	**-**	**-**	**13.20**

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

13. Other current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipment	-	0.07
Interest accrued but not due on loans	50.02	33.56
Other payables	-	1.59
Total	**50.02**	**35.22**

14. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory tax payables	0.61	1.16
Others	-	8.99
Total	**0.61**	**10.15**

15. Revenue from operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contract with customers:		
Sales of Products		
Revenue from power supply	421.48	424.86
Total	**421.48**	**424.86**

Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	421.48	424.86
At a point-in-time basis	-	-
Total revenue from contracts with customers	**421.48**	**424.86**
ii) Revenue by geographical market:		
Within India	421.48	424.86
Outside India	-	-
Total revenue from contracts with customers	**421.48**	**424.86**

iii) Reconciliation between revenue recognised in Statement of profit and loss and contract price

There is no variation between revenue recognised in Statement of Profit and Loss and contract price.

iv) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

16. Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from financial assets at amortised cost	7.78	3.31
Net reversal of corporate overhead allocation	-	28.15
Provision no longer required written back	8.99	-
Interest on income tax refund	0.03	-
Total	**16.80**	**31.46**

17. Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost		
- to bank	215.21	246.31
- to holding company	20.13	14.92
Total	**235.34**	**261.23**

18. Depreciation expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	149.13	149.66
Total	**149.13**	**149.66**

19. Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Operation & maintenance charges	24.63	23.77
Site expenses	7.22	19.92
Electricity charges	7.64	7.31
Rates and taxes	2.74	12.04
Insurance	6.62	6.40
Travelling and conveyance	0.54	4.44
Communication expenses	0.01	0.07
Printing and stationery	0.02	0.06
Technical charges	1.71	2.72
Professional charges	5.91	6.98
Director sitting fees	3.30	3.30
Auditor's remuneration (refer below note)	0.59	0.59
Management fees	7.38	-
Miscellaneous expenses	0.16	1.21
Total	**68.47**	**88.81**

The Company does not meet the criteria specified in subsection (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current and previous year.

Note: Auditor's remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory audit fees (Including GST)	0.59	0.59
Total	**0.59**	**0.59**

20. Loss per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Loss attributable to the Equity shareholders of the Company	(14.66)	(43.38)
Weighted average number of equity shares of Rs.10/- each	11,535,005	11,535,005
Basic and Diluted Loss per share	**(0.13)**	**(0.38)**

First Energy 2 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

21. Contingent Liabilities and commitments

Contingent liabilities

There are no liabilities of contingent nature.

Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is NIL. (March 31, 2024: NIL)

22. Related party disclosures

A Holding Company

First Energy Private Limited

B Ultimate Holding Company

RDA Holding Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Entities under common control with whom transactions have taken place

Jalansar Wind Energy Private Limited

Kanakal Wind Energy Private Limited

E Key management personnel:

1 Mr. Ravi Damaraju - Director

2 Mr. Mitish Somani - Director (till April 5, 2024)

3 Mr. Sandeep Mandke - Director

4 Mr. Sanjay Parande - Independent Director (w.e.f May 09, 2023)

5 Mr. Ashok Joshi - Independent Director (w.e.f. May 09, 2023)

6 Mr. Prakash Patil - Chief Executive Officer (w.e.f. May 09,2023)

7 Mr. Abhishek Kangokar - Chief Financial Officer (w.e.f. May 02, 2024 till July 22,2024)

8 Mr. Omkar Bhide - Company Secretary (w.e.f. May 02, 2024)

9 Mr. Amit Kodere - Chief Financial Officer (w.e.f. January 23, 2025)

F Transactions with Related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
With Immediate holding company		
First Energy Private Limited		
Loan taken	-	246.00
Loan Repaid	-	11.00
Interest on loan	20.13	14.92
Reimbursement of expenses (inclusive of reimbursement of capital expenditure)	-	6.37
Management fees	7.38	-
Reversal of corporate overhead (net)	-	34.52
Entities under common control		
Jalansar Wind Energy Private Limited		
Reimbursement of expenses received	0.53	2.85
Kanakal Wind Energy Private Limited		
Reimbursement of expenses received	0.26	0.28
Key management personnel compensation		
Short term employee benefits (Directors' sitting fees)	3.30	3.30

G Outstanding balances

Particulars	As at March 31, 2025	As at March 31, 2024
Immediate Holding Company		
First Energy Private Limited		
Trade Payables	-	4.13
Borrowing	235.00	235.00
Interest accrued during the year	31.47	13.35
Entities under common control		
Jalansar Wind Energy Private Limited		
Trade Payables	-	0.01
Kanakal Wind Energy Private Limited		
Other Receivable	0.25	0.01

H Terms and conditions for outstanding balances

All outstanding balances are unsecured, interest free except for borrowings, and payable in cash. For details of interest on borrowings, refer note 11.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

23. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payable	17.36	13.20
Borrowing	2,700.57	2,799.40
Payable for property, plant and equipment	-	0.07
Other payables	-	1.59
Interest payable	50.02	33.56
Total	**2,767.95**	**2,847.82**
Current liabilities	297.14	192.79
Non-current liabilities	2,470.81	2,655.03
Total	**2,767.95**	**2,847.82**

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	43.03	41.14
Other financial assets	5.68	5.39
Cash and cash equivalents	78.57	40.77
Bank balances other than cash and cash equivalents	93.31	87.38
Total	**220.59**	**174.68**
Current assets	215.22	169.31
Non-current assets	5.37	5.37
Total	**220.59**	**174.68**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

24. Financial risk management

The Company's principal financial liabilities, comprise borrowings, trade and 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, and cash and cash equivalents that derive directly from its operations.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

Management of the Company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. Management of the Company reviews and agrees policies for managing each of these risks, which are summarised below.

I 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 two types of risk: interest rate risk and currency risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2025	March 31, 2024
Variable rate borrowings	2,465.57	2,564.40

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	March 31, 2025	March 31, 2024
Interest rates - Increase by 25 (March 31, 2024 -50) basis points	(6.48)	(13.38)
Interest rates - Decrease by 25 (March 31, 2024 -50) basis points	6.48	13.38

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the current year and comparative period and hence not exposed to any foreign currency risk.

II 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.

Expected credit loss for

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes below. There is no charge of impairment to Statement of Profit and Loss.

Expected credit loss for trade receivable under simplified approach

Trade receivables	As at March 31, 2025			As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance	Gross	Expected loss rate	Expected loss allowance
Unbilled	43.03	0%	-	41.14	0%	-
Total	**43.03**		**-**	**41.14**		**-**

Balance with banks

Credit risk from balances with banks is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits which is considered to be low risk. No loss allowance is required to be recognised for the same.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summaries the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2025	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	229.76	305.67	209.98	2,031.65
Trade Payables	17.36	-	-	-
Other financial liabilities	50.02	-	-	-

March 31, 2024	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	144.37	374.90	207.82	2139.38
Trade Payables	13.20	-	-	-
Other financial liabilities	35.22	-	-	-

First Energy 2 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

25. Analytical ratios

Sr. No.	Particulars	Numerator	Denominator	For the year ended March 31, 2025	For the period ended March 31, 2024	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current Assets	Current Liabilities	0.75	0.87	-14%	Not applicable
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	2.62	2.67	-2%	Not applicable
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	1.14	1.07	7%	Not applicable
4	Return on Equity	Net loss after taxes	Average Shareholder's Equity	-1.41%	-4.06%	-65%	Decrease due to decrease in loss
5	Return on investment	Investment income	Average investment	6.00%	5.00%	20%	Not applicable
6	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	4.48	3.19	40%	Increase due to decrease in average trade payables
7	Return on Capital employed	Earning before interest and taxes	Capital Employed	5.91%	5.66%	4%	Not applicable
8	Trade Receivables turnover Ratio	Total Sales	Average Trade Receivable	10.01	10.33	-3%	Not applicable
9	Net capital turnover Ratio	Total Sales	Working Capital	-5.60	-15.97	-65%	Due to decrease in working capital
10	Net Profit Ratio	Net Profits/(loss) after taxes	Revenue	-3.48%	-10.21%	-66%	Decrease due to decrease in losses

Capital employed = Tangible Net worth + total debt

Working Capital = Current assets less Current liabilities

Average = (Opening + Closing)/2

26. Capital management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

	As at March 31, 2025	As at March 31, 2024
Borrowings including accrued interest	2,750.59	2,832.96
Less: Cash and cash equivalents (includes other bank balances)	171.88	128.15
Net debt	**2,578.71**	**2,704.81**
Equity	1,032.09	1,046.75
Net Debt to Equity	**2.50**	**2.58**

There is no material variation in debt to equity ratio.

Loan Covenants

The Borrower shall, during the entire tenor of the Facility, ensure that:

(a) Debt to Equity ratio of 70:30;

(b) Debt Service Coverage Ratio (DSCR) does not fall below 1.10 and;

(c) Fixed Asset Coverage Ratio to Security cover to be maintained at minimum 1.2x and;

(d) Debt/Tangible Net With is less than or equal to 2.33

Financial Covenant are tested based on the audited financial statements annually within a period of 6 (six) months from the end of the relevant Financial Year.

Some of the debt covenants were not complied as at March 31, 2024 and March 31, 2025, refer note 11 for details.

27. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount dues to micro and small enterprises	14.63	7.22
	- Interest due thereon	0.02	0.01
b)	The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Sr. No.	Particulars	As at March 31, 2025	As at March 31, 2024
c)	The amount of payment made to the supplier beyond the appointed day during the year.	2.32	3.56
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	0.05	-
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.07	0.06
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.13	0.06

28. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

29. Other statutory information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

(iv) There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) Utilisation of borrowed funds and share premium
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

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 Company 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.

30. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with the regulations.

31. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 2 Private Limited

Sandeep Mandke
Director
DIN : 09619581
Place : Houston Texas, USA

Ravi Damaraju
Director
DIN : 09554649

Prakash Patil
Chief Executive Officer

Amit Kodere
Chief Financial Officer

Omkar Bhide
Company Secretary

Place: Pune
Date : April 28, 2025

First Energy 3 Private Limited

Board of Directors
Ravi Damaraju
Sandeep Mandke
Sanjay Parande
Ashok Joshi

Registered Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personnel
Anjali Lothe - CEO
Ashish Kumar - CFO
Veda Pathak - CS

Bankers
Bank of Maharashtra

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure in presenting the Third Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	3,850.9	2,976.2
Profit before finance cost, depreciation, and tax	3,356.2	2,695.0
Finance Cost	3,138.0	2,291.8
Profit before depreciation and tax	218.2	403.2
Depreciation and impairment	1,571.2	1,241.6
Profit/(Loss) before tax	(1,353.0)	(838.4)
Provision for taxation (incl. deferred tax)	-	-
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(1,353.0)	(838.4)

State of Company's Affairs

During the year, the Company commissioned its hybrid project of 25MW (24.3MW Wind & 27.5MWp Solar) in the State of Gujarat in June 2023 and has been in stable operation since commissioning.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

In a view of accumulated losses, the directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves.

During the year, the Company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the Company. The Paid-up Share Capital of the Company is Rs 99,80,90,000 divided into 9,98,09,000 Equity shares of Rs. 10 each. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements. During the year, the Company did not give any guarantee.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors, or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its Renewable Energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involved the risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also collaborates with competent local infra partners and engages with experienced and capable service partners.

- **Renewable Sources and Grid Availability**

  The risk identified by the Company is lower generation on account of lower radiation, wind speed, and Grid failures. The Company continuously studies the radiation levels and Wind Resources Assessment with historical data from reliable sources and accordingly sizes the plant and the financial models for arriving at the right tariff for the available conditions. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using waterless robotic technology for cleaning modules and therefore manpower dependency is reduced.

  The Board at its meetings periodically reviews and monitors these risks and their mitigation plan.

Health and Safety

Across all its operational assets, sites and offices, the company implements policies that covers Health and safety.

The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalization: - HSE digital software implemented for hazard reporting and risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ravi Damaraju (DIN: 09554649) retires by rotation and being eligible offers, himself for re-appointment. The proposal of re-appointment forms part of the Notice of the Third AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani (DIN: 01853530) resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Ashish Kumar was appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from July 22, 2024.

Policy on appointment and remuneration of directors and key managerial personnel

The Board has adopted a policy on selection and appointment of Directors and remuneration of Directors, KMPs and employees. The Directors do not receive any remuneration except independent directors who are entitled to sitting fees as approved by the Board for each Board/Committee meeting attended. A detailed policy is annexed herewith as Annexure 1 and forms part of this report.

Declaration by Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added in the data bank maintained by the Indian Institute of Corporate Affairs for independent directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. However, an individual who has fulfilled the criteria prescribed in Rule 6(4) of the said Rules, is exempted from passing the online proficiency self-assessment test. In view of the same, Mr. Sanjay Parande, having met the aforesaid criteria, was exempted from the proficiency self-assessment test and Mr. Ashok Joshi has passed the proficiency self-assessment test.

The Board is of the opinion that the Directors of the Company are eminent persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

Board Meetings

During the year, the Board met five times on May 2, 2024, July 22, 2024, October 11, 2024, October 28, 2024, and January 23, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Independent directors meeting

During the year under review, the independent directors met once on January 23, 2025, where all independent directors were present inter alia to review the performance of the Board and non-independent directors of the Company.

Committees of the Board

The Board has constituted the following committees viz. Audit Committee and Nomination and Remuneration Committee.

Audit Committee

The Audit Committee of the Board of Directors was constituted on December 23, 2022. The committee comprises of all directors being non-executive directors viz Mr. Sanjay Parande as the Chairman and Mr. Ashok Joshi & Mr. Sandeep Mandke as members of the committee. The Committee was reconstituted by the Board by a resolution passed by circulation on April 17, 2024 and Mr. Sandeep Mandke was inducted as a member of the Committee.

The committee met four times during the year on May 02, 2024, July 22, 2024, October 28, 2024, and January 23, 2025. Further, all the recommendations made by the audit committee were accepted by the Board.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Board of Directors was constituted on December 23, 2022. The committee comprises of all directors being non-executive directors viz Mr. Ashok Joshi as the Chairman and Mr. Sanjay Parande & Mr. Ravi Damaraju as members of the committee. The committee met twice on July 22, 2024, and January 23, 2025.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

First Energy 3 Private Limited

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar, Wind and associated Renewable energy generation sources for commercial & industrial customers. As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning.

In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the Company is a subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of Companies Act, 2013 as on March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Vigil mechanism

The Company has adopted the whistle blower policy of Thermax Limited, the ultimate holding company of the Company, which is applicable to all subsidiaries of Thermax Limited.

Auditors

Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five years from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Secretarial Auditors

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ladda Bhutada & Associates, Company Secretaries, Pune, to undertake the secretarial audit of the Company for FY 2024-25. The Secretarial Audit Report for FY 2024-25 is attached as Annexure 2 to this Report.

The Secretarial Audit Report does not contain any qualifications, reservations, adverse remarks or disclaimers.

Internal Auditors

The Company has appointed Mr. Satish Jayaram as the Internal auditor of the Company.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

Draft regulations related to state transmission expansion notified by the regulator. It allows for augmentation/building of additional evacuation capacities in the state, as per generation pipeline. Positive impact to business, as FEPL the holding company can block more evacuation capacities and serve the state captive market.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
First Energy 3 Private Limited

Ravi Damaraju	**Sandeep Mandke**
Director	Director
DIN - 09554649	DIN: 09619581

Pune, April 28, 2025

Annexure - 1

Policy on Selection and Appointment of Directors and Remuneration of Directors, KMPs and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Non-Executive Directors (NEDs), based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict-of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration:

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD, WTD & CEO:

i. At the time of appointment or re-appointment, the Managing Director (MD), Whole Time Director (WTD) and Chief Executive Officer (CEO) shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the MD, WTD and CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD, WTD and CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD, WTD and CEO, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/employees and KMPs shall ensure the following:

(i) The remuneration is divided into Fixed component & Variable Component.

(ii) The division is based on the fixed salary and performance bonuses.

(iii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

Based on the Annual Business Plan prepared, Individual Contribution Plan (ICP) is prepared by the Senior Management which is agreed upon. It broadly contains certain targets for strategic objectives, operational excellence-oriented initiatives, and business deliverables. The actual performance of individual repartee will be discussed by the MD and CEO at the year's end. Based on the appraisal and overall performance of the Company and after considering the market trends, suitable increments/variable pay shall be decided by the MD and CEO.

The MD & CEO will present a snapshot of the evaluation carried out to assess the performance of the Whole-time Director, while recommending the annual increment of the NRC, for its review and approval.

First Energy 3 Private Limited

Annexure - 2

Secretarial Audit Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2025

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies

(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

FIRST ENERGY 3 PRIVATE LIMITED

Regd. Office Address: 6th Floor, Office No. 601 Cello Platina,
F. C. Road, Shivajinagar, Pune - 411005, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. First Energy 3 Private Limited** bearing **CIN: U40100PN2022PTC211607** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Report on Secretarial Records and Compliances made thereunder

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representation made by the Management we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **March 31, 2025**, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed on a test basis and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956, (SCRA) and the rules made thereunder; **Not applicable;**

iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, and the Regulations and Bye-laws framed thereunder; **Not applicable;**

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; **Not applicable;**

v. The Company is not listed on any Stock Exchange in India hence the Acts, Regulations, Guidelines etc., related to SEBI were **not applicable** to the Company:

vi. As per the management representation no other laws applicable except mentioned below specifically to the Company during the audit period:

(a) The Indian Contract Act, 1872

(b) The Income Tax, 1961

(c) The Goods and Service Tax Act, 2017

(d) The Electricity Act, 2003

(e) The Indian Stamp Act, 1899 and The Maharashtra Stamp Act, 1958

(f) The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 and The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules, 2018.

(g) The Factories Act, 1948 and other allied State wise Factories Rules wherever the sites are located.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards as issued and notified by The Institute of Company Secretaries of India relating to Board Meetings and General Meetings: During the Year ended March 31, 2025, the Company has complied with the applicable clauses of Secretarial Standard (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible.

(ii) The Listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015; **Not applicable**

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company has been duly constituted with proper balance of Non-Executive and Independent Directors, the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

   1.1. Mr. Mitish Manoharlal Somani (DIN: 01853530) who was appointed as Director has been resigned from the post of Director w.e.f. April 05, 2024.

   1.2. Mr. Ashish Kumar (PAN: AKRPK9087C) has been appointed as CFO w.e.f. July 22, 2024.

2. Adequate notice(s) have been given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and, in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. All the decisions in the board meetings were carried through by majority while there were no dissenting member's views and hence not captured and recorded as part of the minutes.

We further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following events /actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

i. The Board of Directors at the Board Meeting held on May 02, 2024 have approved revision in the in authorized signatory for various matters.

ii. The Board has approved the increase in borrowing power limits of the Company upto Rs. 500 crores in the Board Meeting held on October 11, 2024 and the Members have approved the said increase in the General Meeting held on October 30, 2024.

iii. The Board of Directors at the Board Meeting held on October 28, 2024 have approved the proposal for debt refinancing.

iv. The Members at the general meeting on October 30, 2024 have approved increase in the borrowing powers of the Board by way of special resolution.

v. The Board Committees, namely Audit Committee and Nomination and Remuneration Committee have been constituted and have met four (4) times and two (2) times respectively.

For Ladda Bhutada And Associates,
Company Secretaries,
ICSI Unique Code: P2009MH019500
Peer Review Cert. No.: 3288/2023

Pramodkumar Ladda
Partner
FCS: 7326; COP No.: 8006
ICSI UDIN: F007326G000202501

Place: Pune

Date: April 25, 2025

Note: *This report is to be read with Annexure A, which forms an integral part of this report.*

First Energy 3 Private Limited

Annexure-A'

To the Secretarial Audit Report

For the financial year ended March 31, 2025

To,

The Members,

FIRST ENERGY 3 PRIVATE LIMITED

Regd. Office Address: 6th Floor, Office No. 601 Cello Platina,

F. C. Road, Shivajinagar, Pune - 411005, Maharashtra, India.

Our Secretarial Audit report for the financial year ending 31st March, 2025, of even date is to be read along with this letter.

Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. We have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

Disclaimer

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

7. The Secretarial Audit report is neither an assurance as to the future liability of the Company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For Ladda Bhutada And Associates,
Company Secretaries,
ICSI Unique Code: P2009MH019500
Peer Review Cert. No.: 3288/2023

Pramodkumar Ladda
Partner
FCS: 7326; COP No.: 8006
ICSI UDIN: F007326G000202501

Place: Pune

Date: April 25, 2025

Note: *This report is to be read with Annexure A, which forms an integral part of this report.*

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy 3 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 3 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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.

First Energy 3 Private Limited

Report on other legal and regulatory requirements

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

13. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

        iv. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 35(viii) to the financial statements, 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, as disclosed in the Note 35(viii) to the financial statements, 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; and

            (c) Based on such audit procedures that we 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 or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIY1491
Place: Pune
Date: May 7, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy 3 Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 3 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIY1491
Place: Pune
Date: May 7, 2025

First Energy 3 Private Limited

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of First Energy 3 Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets). Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in 8 mutual fund schemes during the year.

The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 16 to the financial statements)..

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out in a phased manner. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) Under the group's phased audit plan, no internal audit has been conducted in the current year. Accordingly, Internal Audit Reports have not been considered by us for the purpose of our audit.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIY1491
Place: Pune
Date: May 7, 2025

First Energy 3 Private Limited

Balance Sheet as at 31.03.2025

(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
Property, plant and equipment	3a	35,857.53	37,370.84
Right-of-use assets	3b	1,211.23	1,256.66
Capital work-in-progress	3a	535.76	-
Financial assets			
Other financial assets	4	0.19	0.19
Deferred tax assets (net)	5	-	-
Income tax assets (net)	6	8.95	3.29
Other non-current assets	7	32.85	38.23
Total non-current assets		**37,646.51**	**38,669.21**
II. Current assets			
Financial assets			
(a) Investments	8	270.77	154.36
(b) Trade receivables	9	481.18	646.53
(c) Cash and cash equivalents	10	835.90	242.48
(d) Bank balances other than (c) above	11	-	38.90
(e) Other financial assets	12	98.91	126.81
Other current assets	13	13.18	37.29
Total current assets		**1,699.94**	**1,246.37**
Total Assets		**39,346.45**	**39,915.58**
EQUITY AND LIABILITIES			
III. Equity			
Equity share capital	14	9,980.90	9,980.90
Other equity	15	(2,458.57)	(1,105.55)
Total Equity		**7,522.33**	**8,875.35**
Liabilities			
IV. Non-current liabilities			
Financial liabilities			
(a) Borrowings	16a	29,142.14	29,274.76
(b) Lease liabilities	27	647.22	645.35
Total Non-current liabilities		**29,789.36**	**29,920.11**
V. Current liabilities			
Financial liabilities			
(a) Borrowings	16b	1,758.11	712.00
(b) Lease liabilities	27	58.87	37.82
(c) Trade payables	17		
i) total outstanding dues of micro enterprises and small enterprises		6.77	9.43
ii) total outstanding dues of creditors other than micro and small enterprises		38.83	42.75
(d) Other financial liabilities	18	136.96	292.96
Other current liabilities	19	35.22	25.16
Total current liabilities		**2,034.76**	**1,120.12**
Total Equity and Liabilities		**39,346.45**	**39,915.58**

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	20	3,767.05	2,835.94
Other income	21	83.89	140.23
Total Income		**3,850.94**	**2,976.17**
Expenses			
Finance costs	22	3,137.99	2,291.84
Depreciation and amortisation expense	23	1,571.20	1,241.56
Other expenses	24	494.77	281.16
Total Expenses		**5,203.96**	**3,814.56**
Loss before tax		**(1,353.02)**	**(838.39)**
Tax expense			
Current tax	5	-	-
Deferred tax	5	-	-
Loss for the year		**(1,353.02)**	**(838.39)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(1,353.02)**	**(838.39)**
Loss per equity share			
Basic & Diluted [nominal value per share ₹10/-]	25	**(1.36)**	**(0.84)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of First Energy 3 Private Limited

Sandeep Mandke
Director
DIN : 09619581
Place : Houston Texas, USA
Date : April 28, 2025

Ravi Damaraju
Director
DIN : 09554649

Anjali Lothe
Chief Executive Officer

Veda Pathak
Company Secretary

Ashish Kumar
Chief Financial Officer

Place: Pune
Date : April 28, 2025

Statement of Cash flow for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Cash flows from operating activities**		
	Loss before tax	(1,353.02)	(838.39)
	Adjustments for		
	Depreciation and amortisation expense	1,571.20	1,241.56
	Finance costs	3,137.99	2,291.84
	Interest income from financial assets at amortised cost	(54.94)	(14.28)
	Impairment of other financial assets	119.11	-
	Net gain on mutual fund measured at fair value through profit and loss	(27.58)	(9.30)
	Gain on sale of mutual funds	(1.23)	-
	Working capital adjustments		
	(Increase)/decrease in trade receivables	165.35	(646.53)
	(Increase) in other financial assets	(50.00)	(125.19)
	(Increase)/decrease in other assets	29.49	(5.71)
	(Decrease) in trade payables	(6.57)	(128.96)
	Increase/(decrease) in other liabilities	10.05	(55.03)
	Increase/(decrease) in other financial liabilities	(1.55)	1.25
	Cash generated from operations	**3,538.30**	**1,711.26**
	Income taxes paid (net of refunds received)	(5.66)	1.61
	Net cash generated from operating activities	**3,532.64**	**1,712.87**
B)	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(471.84)	(5,123.63)
	Payment for purchase of current investments	1,297.40	789.96
	Proceeds from sale of current investments	(1,385.00)	(935.02)
	Interest received	54.91	17.22
	Fixed deposits placed with banks	(872.28)	(38.90)
	Redemption of fixed deposits	870.00	75.00
	Net cash flows used in investing activities	**(506.81)**	**(5,215.37)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	32,153.50	4,836.34
	Repayment of borrowings	(31,288.73)	(8,005.37)
	Transaction cost for availing borrowing	(116.91)	-
	Interest paid on borrowings	(3,140.53)	(2,639.20)
	Principal element of lease payments	(39.74)	(9.49)
	Net cash flows used in financing activities	**(2,432.41)**	**(5,817.72)**
	Net increase/(decrease) in cash and cash equivalents	**593.42**	**(9,320.22)**
	Cash and cash equivalents at the beginning of the year	242.48	9,562.70
	Cash and cash equivalents at the end of the year	**835.90**	**242.48**
	Non-cash financing and investing activities		
	- Acquisition of right-of-use assets	-	7.28

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025	March 31, 2024
Cash and cash equivalents (refer note 10)	835.90	242.48
Balances as per Statement of Cash Flows	**835.90**	**242.48**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7: Statement of Cash Flows'.

ii) Refer Note 16(b) for Net debt reconciliation

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 3 Private Limited

Sandeep Mandke
Director
DIN : 09619581
Place : Houston Texas, USA
Date : April 28, 2025

Ravi Damaraju
Director
DIN : 09554649

Anjali Lothe
Chief Executive Officer

Veda Pathak
Company Secretary

Ashish Kumar
Chief Financial Officer

Place: Pune
Date : April 28, 2025

First Energy 3 Private Limited

Statement of changes in Equity for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at April 1, 2023	**9,980.90**
Issue during the year	-
As at March 31, 2024	**9,980.90**
Issue during the year	-
As at March 31, 2025	**9,980.90**

B Other Equity

Particulars	Retained Earnings	Total
As at April 1, 2023	(267.16)	(267.16)
Loss for the year	(838.39)	(838.39)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(838.39)**	**(838.39)**
As at March 31, 2024	**(1,105.55)**	**(1,105.55)**
Loss for the year	(1,353.02)	(1,353.02)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(1,353.02)**	**(1,353.02)**
As at March 31, 2025	**(2,458.57)**	**(2,458.57)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 3 Private Limited

Sandeep Mandke
Director
DIN : 09619581
Place : Houston Texas, USA
Date : April 28, 2025

Ravi Damaraju
Director
DIN : 09554649

Anjali Lothe
Chief Executive Officer

Veda Pathak
Company Secretary

Ashish Kumar
Chief Financial Officer

Place: Pune
Date : April 28, 2025

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy 3 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on May 25, 2022 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business as a producer of wind and solar power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 28, 2025. The CIN of the Company is U40100PN2022PTC211607.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in power purchase agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

At the end of each reporting period, the Company updates the estimated transaction price to represent the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Company accounts for such changes in the transaction price (including claims). Consideration / claim payable to a customer includes cash amounts that an entity pays to the customer. The Company accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct goods or service that the customer transfers to the entity. The consideration payable to a customer includes a variable amount.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables..

b. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30
Furniture and fixtures	10	10
Computers	3	3
Roads	3	3
Office equipment	5	5

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in Statement of Cash Flows.

d. Leases

Company as a lessee

The Company lease asset classes primarily consist of leasehold lands. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over

the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be paid under residual value guarantees. There are no variable lease payments.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate standalone price of the non-lease components.

2.3. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

c. Property, plant and equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the

asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

j. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

k. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

l. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

m. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected generation based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would lead to recoverable amount and conclusion on impairment assessment.

ii. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

iii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget over the useful life of assets as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows. The estimates involved includes long term debt cost, cost of equity and long term debt equity ratio.

iv. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

v. Deferred taxes

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

vi. Revenue recognition

The Company recognises revenue (including the adjustment to transaction price resulting due to customer claims) as per the applicable power purchase agreement, ongoing negotiation with customers, management's probability estimate and the past trends of settlement.

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3 (a) Property, Plant and Equipment

Particulars	Land Freehold	Plant and Machinery	Building	Office Equipment	Furniture and Fixture	Computer	Roads	Total	Capital work-in-progress
Gross carrying amount:									
As at April 1, 2023	**149.83**	**-**	**-**	**-**	**-**	**-**	**-**	**149.83**	**34,364.79**
Additions	-	38,204.99	134.89	-	2.93	1.43	82.00	38,426.24	4,061.45
Deduction	-	-	-	-	-	-	-	-	38,426.24
As at March 31, 2024	**149.83**	**38,204.99**	**134.89**	**-**	**2.93**	**1.43**	**82.00**	**38,576.07**	**-**
Additions	-	10.93	-	1.53	-	-	-	12.46	535.76
Deduction	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**149.83**	**38,215.92**	**134.89**	**1.53**	**2.93**	**1.43**	**82.00**	**38,588.53**	**535.76**
Accumulated Depreciation									
As at April 1, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
For the year	-	1,174.75	10.97	-	0.29	0.36	18.86	1,205.23	-
Deduction	-	-	-	-	-	-	-	-	-
As at March 31, 2024	**-**	**1,174.75**	**10.97**	**-**	**0.29**	**0.36**	**18.86**	**1,205.23**	**-**
For the year	-	1,484.17	14.66	0.40	0.11	0.46	25.97	1,525.77	
Deduction	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**-**	**2,659.92**	**25.63**	**0.40**	**0.40**	**0.82**	**44.83**	**2,731.00**	**-**
Net carrying amount:									
As at March 31, 2025	**149.83**	**35,557.00**	**109.26**	**1.13**	**2.53**	**0.61**	**37.17**	**35,857.53**	**535.76**
As at March 31, 2024	**149.83**	**37,030.24**	**123.92**	**-**	**2.64**	**1.07**	**63.14**	**37,370.84**	**-**

i) See note 16 for information on property, plant and equipment pledged as security by the Company

ii) See note 26 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iii) Capital work-in-progress mainly comprises construction of solar plant.

(b) Ageing of capital work-in-progress

Particulars/ Projects	As at March 31, 2025				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress					
2.5 MV Solar project	535.76	-	-	-	535.76
Total	**535.76**	**-**	**-**	**-**	**535.76**

Capital work-in-progress includes overdue projects amounting to Rs 535.76 lakhs. Project are expected to be completed and capitalised in June 2025.

Capitalization of expenses

During the period, the Company has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net off amounts capitalized.

Particulars	As at March 31, 2025	As at March 31, 2024
Reimbursement of salaries and wages	-	31.06
Interest and reimbursement of Interest expenses*	12.07	599.47
Depreciation and reimbursement of depreciation*	-	10.03
Reimbursement of Others Expenses	-	2.31
Total	**12.07**	**642.87**

* Reimbursement of interest and depreciation for previous year relates to expenses pertaining to rental property for which right-of-use assets and lease liabilities have been recognised.

3(b) Right- of- use assets

Particulars	Land Freehold	Total
Gross Block		
As at April 1, 2023	**1,309.88**	**1,309.88**
Additions	7.28	7.28
Deductions	-	-
As at March 31, 2024	**1,317.16**	**1,317.16**
Additions	-	-
Deductions	-	-
As at March 31, 2025	**1,317.16**	**1,317.16**
Accumulated Amortization		
As at April 1, 2023	**17.90**	**17.90**
Charge for the period	42.60	42.60
Deductions	-	-
As at March 31, 2024	**60.50**	**60.50**
Changes for the year	45.43	45.43
Deductions	-	-
As at March 31, 2025	**105.93**	**105.93**
Net Block		
As at March 31, 2025	**1,211.23**	**1,211.23**
As at March 31, 2024	**1,256.66**	**1,256.66**

The Company has taken land on lease which has been accounted in accordance with Ind AS 116-Leases under right of use assets. Refer note 27 for further disclosure on leases.

First Energy 3 Private Limited

Notes to the financial statements for the year ended March 31, 2025
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4. Other financial assets (Non-current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	0.19	0.19
Total	**0.19**	**0.19**

* Held as lien against bank guarantee given

5. Deferred tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
Losses available for offsetting against future taxable income	3,712.10	2,462.34
Lease liabilities	121.17	117.23
Other	58.29	27.21
	3,891.56	**2,606.78**
Deferred tax liabilities		
Depreciation on property, plant and equipment	3,662.76	(2,390.93)
Right-of-use of assets	207.85	(215.64)
Others	20.95	(0.21)
	3,891.56	**(2,606.78)**
Total	**-**	**-**

The Company has tax losses of Rs. 2,245.78 lakhs (March 31, 2024: Rs. 589.58 lakhs) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs. 385.38 lakhs (March 31, 2024: Rs. 101.17 lakhs).

Particulars	Expiry date	As at March 31, 2025		As at March 31, 2024	
		Amount	Tax Impact	Amount	Tax Impact
Unabsorbed depreciation	No expiry period	2,245.78	385.38	589.58	101.17
Total		**2,245.78**	**385.38**	**589.58**	**101.17**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit and Loss is as follows:

Particulars	Year ended March 31, 2025	Year ended March 31, 2024
Loss before tax	**(1,353.02)**	**(838.39)**
Income tax rate	17.16%	17.16%
Expected tax expense / (credit)	(232.18)	(143.87)
Deferred tax assets not recognised on losses	232.18	143.87
Total tax expense / (credit)	**-**	**-**

6. Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	3.29	4.90
Add: Taxes paid during the year	9.28	3.29
Less: Refund received during the year	(3.62)	(4.90)
Total	**8.95**	**3.29**

7. Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	32.85	38.23
Total	**32.85**	**38.23**

8 Current Investment

Particulars	Number of units		Amount	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investment at fair value through profit and loss				
Investments in Mutual Funds:				
DSP Liquidity Fund Growth - Regular	11,038	2,596	150.18	88.71
Aditya Birla Sun Life Liquid Fund- Regular	29,142	2,751	120.59	65.65
Total current investments	**40,180**	**5,347**	**270.77**	**154.36**
Aggregate value of quoted investments and market value thereof			-	-
Aggregate value of unquoted investments			270.77	154.36
Aggregate amount of impairment in the value of investments			-	-

9 Trade Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
-Unbilled*	452.49	645.99
-Billed	28.69	0.54
Total	**481.18**	**646.53**
Break-up for security details:		
Trade receivables considered good - Unsecured	481.18	646.53
Trade receivable which have a significant increase in credit risk	-	-
Trade receivables - credit impaired	-	-
	481.18	**646.53**
Less: impairment allowance	**-**	**-**
Total	**481.18**	**646.53**

No trade or other receivables are due from directors or officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivables are unbilled because the Company has not yet issued an

Notes to the financial statements for the year ended March 31, 2025
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invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade Receivables ageing:

As at March 31, 2025

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables-considered good	452.49	-	-	28.69	-	-	-	481.18
Total	**452.49**	**-**	**-**	**28.69**	**-**	**-**	**-**	**481.18**

As at March 31, 2024

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables-considered good	645.99	-	0.54	-	-	-	-	646.53
Total	**645.99**	**-**	**0.54**	**-**	**-**	**-**	**-**	**646.53**

10 Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- in current accounts	135.90	242.48
- in deposits with original maturity of less than three months	700.00	-
Total	**835.90**	**242.48**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

11 Other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity of more than three months but less than twelve months	-	38.90
Total	**-**	**38.90**

12. Other financial assets (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposit	175.00	125.00
Less: impairment of financial asset	(119.11)	-
	55.89	125.00
Interest accrued but not due	1.84	1.81
Deposits with original maturity of more than twelve months	41.18	-
Total	**98.91**	**126.81**

13 Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advances to supplier*	0.71	24.60
Prepaid expenses	8.05	11.79
Others	4.42	0.90
Total	**13.18**	**37.29**

*There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

14. Equity share capital

a. Authorised Equity Share Capital

Equity shares of ₹10 each

Particulars	No. of shares	Amount ₹ in Lakhs
As at April 1 2023	**100,000,000**	**10,000.00**
Increase during the year	-	-
As at March 31 2024	**100,000,000**	**10,000.00**
Increase during the year	-	
As at March 31, 2025	**100,000,000**	**10,000.00**

b. Issued, Subscribed and Fully Paid up Share Capital

Equity shares of ₹10 each

Particulars		No. of shares
Equity share of Rs 10 each issued, subscribed and fully paid		
As at April 1 2023	**99,809,000**	**9,980.90**
Changes during the year	-	-
As at March 31 2024	**99,809,000**	**9,980.90**
Changes during the year	-	-
As at March 31, 2025	**99,809,000**	**9,980.90**

c. Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d. Equity shares held by holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

First Energy Private Limited (including 1 share held by nominee shareholder)	73,850,000	7,385.00	73,850,000	7,385.00
Equity shares of ₹ 10 each				

e. Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited, India		
% Holding	73.99%	73.99%
No. of shares	73,850,000	73,850,000
(ii) MRF Limited		
% Holding	7.78%	7.78%
No. of shares	7,761,000	7,761,000
(iii) Garden Silk Mills Private Limited		
% Holding	6.03%	6.03%
No. of shares	6,030,000	6,030,000

f. Shares held by promoters at the end of the period

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited, India	73,850,000	73.99%	73,850,000	73.99%	0.00%

g. Aggregate number of shares issued for consideration other than cash :

There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately proceeding the reporting date.

15 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	(1,105.55)	(267.16)
Add : Loss for the year	(1,353.02)	(838.39)
Total	**(2,458.57)**	**(1,105.55)**

16: Borrowings

(a) Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans from Bank		
Indian rupee loans from bank/financial institution*	29,877.14	29,150.42
Less: Current maturities of long-term debts (included in current borrowings)	735.00	712.00
	29,142.14	28,438.42
Unsecured Loan		
From holding company	-	836.34
Total	**29,142.14**	**29,274.76**

* After considering unamortised expense of Rs. 122.86 lakhs (March 31, 2024 - Rs. 171.58 lakhs)

Aggregate secured borrowings	29,142.14	28,438.42
Aggregate unsecured borrowings	-	836.34

Loans are measured at amortised cost.

Details	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from NIIF Infrastructure Finance Limited	March 31, 2044	Repayable in 76 structured quarterly instalments from June 30, 2025	8.65% p.a. linked to NIIF IFL 5 year benchmark rate subject to credit rating being "A-"	29,877.14	-
Loan from Bank of Maharashtra	March 31, 2043	"Repayable in 77 structured quarterly instalments from March 31, 2024"	9.40% (3M MCLR p.a + 0.70% p.a)	-	29,150.42
Loan from holding company	September 30, 2026	Repayable on or before maturity date	8.60% p.a.	-	836.34

Details of security

Indian rupee loans from financial institution is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, intangible assets including goodwill and uncalled capital, intellectual property, both present and future, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total equity shares of the Company held by the Holding Company.

(March 31, 2024 - Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, intangible assets including goodwill and uncalled capital, intellectual property, both present and future, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total shares of the Company held by the Holding Company.)

(b) Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of long term borrowings from bank	735.00	712.00
Unsecured loans		
From holding company	1,023.11	-
Total	**1,758.11**	**712.00**

Aggregate secured borrowings	735.00	712.00
Aggregate unsecured borrowings	1,023.11	-

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from Holding Company	September 30, 2026	Repayable in single/multiple tranches along with the accumulated interest thereon within 180 days	8.95%	277.40	-

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Loan from Holding Company	June 13, 2025	Repayable on or before maturity date	8.60%	745.71	-

During the year, the Company has used all the borrowings for specific purpose for which they have been obtained.

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	(30,900.25)	(29,986.76)
Lease Liabilities	(706.09)	(683.17)
Interest accrued	(46.37)	(265.13)
Cash and cash equivalent	835.90	242.48
Other bank balance	-	38.90
Net debt	**(30,816.81)**	**(30,653.68)**

Particulars	Other assets		Liabilities from financing activities		Total
	Cash and bank balance	Other Bank Balances	Borrowings	Lease Liabilities	
Net debt as at April 1, 2023	**9,562.70**	**-**	**(33,227.40)**	**(626.79)**	**(24,291.49)**
Addition to leases	-	-	-	(7.28)	(7.28)
Cash flows	(9,320.22)	38.90	3,169.03	9.49	(6,102.80)
Interest capitalized	-	-	(587.33)	(12.14)	(599.47)
Interest expenses	-	-	(2,245.39)	(46.45)	(2,291.84)
Interest paid	-	-	2,639.20	-	2,639.20
Net debt as at March 31, 2024	**242.48**	**38.90**	**(30,251.89)**	**(683.17)**	**(30,653.68)**
Cash flows	593.42	(38.90)	(747.86)	39.74	(153.60)
Interest capitalized	-	-	(12.07)	-	(12.07)
Interest expenses	-	-	(3,075.33)	(62.66)	(3,137.99)
Interest paid	-	-	3,140.53	-	3,140.53
Net debt as at March 31, 2025	**835.90**	**-**	**(30,946.62)**	**(706.09)**	**(30,816.81)**

17 Trade Payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	6.77	9.43
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Related parties	0.69	15.83
ii) Others	38.14	26.92
Total	**45.60**	**52.18**

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	4.54	1.71	0.50	0.02	-	-	6.77
(ii) Others	19.66	17.77	0.94	0.46	-	-	38.83
Total	**24.20**	**19.48**	**1.44**	**0.48**	**-**	**-**	**45.60**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	9.35	-	0.08	-	-	-	9.43
(ii) Others	42.75	-	-	-	-	-	42.75
Total	**52.10**	**-**	**0.08**	**-**	**-**	**-**	**52.18**

18. Other financial liabilities (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Payables for property, plant and equipment	90.59	26.28
Interest accrued but not due on loans	46.37	265.13
Others	-	1.55
Total	**136.96**	**292.96**

19. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory tax payables	35.22	25.16
Total	**35.22**	**25.16**

20 Revenue from Operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from Power Supply	3,767.05	2,835.94
Total	**3,767.05**	**2,835.94**

Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	3,767.05	2,835.94
At a point in time basis	-	-
Total revenue from contracts with customers	**3,767.05**	**2,835.94**
ii) Revenue by geographical market:		
Within India	3,767.05	2,835.94
Outside India	-	-
Total revenue from contracts with customers	**3,767.05**	**2,835.94**

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

iii) Reconciliation between revenue recognised in Statement of profit and loss and contract price

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract price	**3,947.19**	**2,875.80**
Adjustments for:		
Customer claims	(180.14)	(39.86)
Total Revenue recognised	**3,767.05**	**2,915.66**

iv) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

21 Other Income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from financial assets at amortised cost	54.94	14.28
Net gain on mutual fund measured at fair value through profit and loss	27.58	9.30
Gain on sale of mutual funds	1.23	-
Interest on income tax refund	0.14	0.43
Net reversal of corporate overhead allocation*	-	115.97
Miscellaneous income	-	0.25
Total	**83.89**	**140.23**

*During the previous year, the Holding Company has revised the method of charging common expenditure to its subsidiaries including for the amount already charged during the previous year ended March 31, 2023 and the three months ended June 30, 2023. This resulted in savings of Rs. 153.09 lakhs in the previous year. Amount disclosed is after net off expenses charged during that year.

22 Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost		
- to bank	2,894.78	2,792.08
- to holding company	192.62	40.64
Interest on lease liabilities	62.66	58.59
Less: Capitalized during the year	(12.07)	(599.47)
Total	**3,137.99**	**2,291.84**

Since the borrowings were specifically for the purpose of obtaining and construction of qualifying assets, borrowing cost has been capitalised at actual.

23. Depreciation and amortisation expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	1,525.77	1,205.23
Amortization of right-of-use assets	45.43	42.60
Less: Capitalized during the year	-	(6.27)
Total	**1,571.20**	**1,241.56**

24 Other Expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Operation & maintenance charges	77.88	55.27
Site expenses	59.66	53.86
Advertisement and publicity	-	0.20
Rates and taxes	8.93	17.10
Insurance	31.39	48.03
Travelling and conveyance	8.48	23.09
Communication expenses	2.88	2.68
Printing and stationery	0.01	0.12
Legal and professional fees	19.29	16.42
Auditor's remuneration (Refer note below)	2.95	2.95
Directors sitting fees	3.89	3.30
Management fees	75.53	-
Technnical charges	62.32	45.87
Impairment of other financial assets	119.11	-
Miscellaneous expenses	22.45	12.27
Total	**494.77**	**281.16**

The Company does not meet the criteria specified in subsection (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current and previous year.

Note: Auditor's remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory Audit Fees (including GST)	2.95	2.95
Total	**2.95**	**2.95**

25 Loss per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net Loss attributable to the Equity shareholders of the Company	(1,353.02)	(838.39)
Weighted average number of Equity shares of Rs.10/- each	99,809,000	99,809,000
Basic and Diluted Loss per share	**(1.36)**	**(0.84)**

26. Contingent liabilities and commitments

There are no liabilities of contingent nature.

Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 48.46 (March 31, 2024: Nil)

27 Leasing Arrangements

Company as lessee

The Company has taken land on leases for a tenure of 29 years. There are no variable lease payments and residual value guarantees for these leases.

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Carrying amounts of lease liabilities and the movements during the year:

Particulars	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	683.17	626.79
Additions	-	7.28
Accretion of interest	62.66	58.59
Payments made	(39.74)	(9.49)
As at end of the year	**706.09**	**683.17**
Current portion of lease liabilities	58.87	37.82
Non-current portion of lease liabilities	647.22	645.35
Total	**706.09**	**683.17**

Details of amounts recognised in Statement of Profit and Loss

Particulars	As at March 31, 2025	As at March 31, 2024
Amortisation of right-of-use assets	45.43	42.60
Interest expense on lease liabilities	62.66	58.59
Less: Capitalised during the year	-	(18.41)
Total amount recognised in Statement of Profit and Loss	**108.09**	**82.78**

The total cash outflow for leases for the year was Rs. 39.74 Lakhs (March 31, 2024 - Rs. 9.49 Lakhs).

Extension and termination options are included in a number of property and equipment leases. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations. The majority of extension and termination options held are exercisable only by the company's and not by the respective lessor.

28 Related party disclosures

A Immediate Holding Company

First Energy Private Limited

B Ultimate Holding Company

RDA Holding Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Key Management Personnel:

1 Mr. Ravi Damaraju - Director

2 Mr. Sandeep Mandke - Director

3 Mr. Mitish Somani - Director (till April 5, 2024)

4 Mrs. Anjali Lothe - Chief Executive Officer (w.e.f. February 1, 2023)

5 Ms. Veda Pathak - Company Secretary

6 Mr. Sanjay Parande - Independent Director (w.e.f. December 23, 2022)

7 Mr. Ashok Joshi - Independent Director (w.e.f. December 23, 2022)

8 Mr. Ashish Kumar - Chief Financial Officer (w.e.f. July 22, 2024)

9 Mr. Omkar Sheth - Chief Financial Officer (till January 31, 2024)

E Transactions with Related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
With Immediate Holding Company		
First Energy Private Limited		
Management fees	75.53	-
Reimbursement of expenses	0.67	49.94
Interest on loans	192.62	40.64
Reversal of corporate overhead (net)	-	115.97
Loan taken	2,153.50	836.34
Loan repaid	1,966.73	-
Key Management Personnel Compensation		
Short term employee benefits (Director sitting fees)	3.89	3.30

F Outstanding balances

Particulars	As at March 31, 2025	As at March 31, 2024
Immediate Holding Company		
First Energy Private Limited		
Trade payables	0.69	15.83
Interest on unsecured loan	46.37	36.58
Unsecured Loans	1,023.11	836.34

G Terms and conditions

All outstanding balances are unsecured, interest free except for borrowings, and payable in cash.

For details of interest on borrowings, refer note 16.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

29 Segment information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz. "Producer of power through renewable energy source". Hence, the Company does not have any reportable segment as per IND AS-108 "Operating Segments".

30 I. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables	45.60	52.18
Lease liabilities		
Borrowings	30,900.25	29,986.76
Other liabilities	136.96	292.96
Total	**31,082.81**	**30,331.90**
Current liabilities	1,940.67	1,057.14
Non current liabilities	29,142.14	29,274.76
Total	**31,082.81**	**30,331.90**

First Energy 3 Private Limited

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	481.18	646.53
Other financial assets	99.10	127.00
Cash and cash equivalents	835.90	242.48
Bank balances other than cash and cash equivalents	-	38.90
Total	**1,416.18**	**1,054.91**
Current assets	1,415.99	1,054.72
Non-current assets	0.19	0.19
Total	**1,416.18**	**1,054.91**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assets		
Investments		
Mutual funds	270.77	154.36
Total financial assets (Current)	**270.77**	**154.36**

i) Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets.

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial Assets				
Investments				
Mutual funds	March 31, 2025	-	270.77	-

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial Assets				
Investments				
Mutual funds	March 31, 2024	-	154.36	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of NAV based on report issued by mutual fund house.

31 Analytical ratios

S.No.	Particulars	Numerator	Denominator	For the Year ended Mar 31, 2025	For the Year ended March 31, 2024	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current assets	Current liabilities	0.84	1.11	-25%	Due to increase in current liabilities
2	Debt-Equity Ratio	Total debt	Shareholder's equity	4.11	3.38	22%	Not Applicable
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt service (Interest & Lease payments + Principal repayments)	0.10	0.25	-61%	Due to increase in debt service
4	Return on Equity Ratio	Net profits after taxes	Average shareholder's equity	-16.50%	-9.02%	83%	Due to decrease in average shareholder's equity
5	Return on Investment	Investment income	Average investment	17.93%	1.03%	1636%	Due to increase in investment income
6	Return on Capital Employed	Earning before interest and taxes	Capital employed	4.65%	3.74%	24%	Not Applicable
7	Net Profit Ratio	Net profits after taxes	Revenue	-35.92%	-29.56	-99%	Due to increase in losses
8	Trade Receivables Turnover Ratio	Total sales	Average trade receivable	6.68	8.77	-24%	Not Applicable
9	Trade Payables Turnover Ratio	Net credit purchases	Average trade payables	21.70	10.78	101%	Due to increase in credit purchases
10	Net Capital Turnover Ratio	Total sales	Working capital	-11.25	22.46	-150%	Due to decrease in working capital

Working Capital = Current assets less Current liabilities
Capital employed = Tangible Net worth + total debt
Average = (Opening + Closing)/2

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

32 Financial risk management

The Company's principal financial liabilities comprise borrowings, lease liabilities, trade and 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 and cash and cash equivalents are derived directly from its operations. The Company also holds investments measured at fair value through profit and loss account.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The management of the Company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The Management reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk, price risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows

Particulars	March 31, 2025	March 31, 2024
Variable rate borrowings	29,877.14	29,150.42

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

	March 31, 2025	March 31, 2024
Interest rates - Increase by 25 (March 31, 2024 - 50) basis points	(70.43)	(116.04)
Interest rates - Decrease by 25 (March 31, 2024 - 50) basis points	70.43	116.04

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company has not entered into any foreign currency transaction during the current year and comparative period and hence not exposed to any foreign currency risk.

c) Price risk

The Company's investments are susceptible to market risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Company manages the price risk through placing limits on individual and total equity/ mutual fund investments. Reports on the investment portfolio are submitted to the management on a regular basis. The Company is not currently exposed significantly to such risks.

II 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 security deposits) and from its investing activities, including deposits with banks and other financial instruments.

Expected credit loss for

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes below. There is no charge of impairment to Statement of Profit and Loss.

Expected credit loss for trade receivable under simplified approach

Trade receivables	As at March 31, 2025			As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance	Gross	Expected loss rate	Expected loss allowance
Unbilled	452.49	0%	-	685.85	0%	-
Outstanding for following periods from the due date						
Not due	-	0%	-	-	0%	-
Less than 6 months	28.69	0%	-	0.54	0%	-
Total	**481.18**	**0%**	**-**	**686.39**	**0%**	**-**

Expected credit loss (ECL) for

Balances with Banks

Credit risk from balances with banks is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits. As per ECL assessment provision for ECL has been recognised, refer note 12 and 24 for details.

Particulars	Security Deposits
Loss allowance on 1 April 2023	-
Loss allowance recognised during the year	-
Receivables written off during the year	-
Unused amount reversed	-
Loss allowance as on March 31, 2024	**-**
Loss allowance recognised during the year	119.11
Receivables written off during the year	-
Unused amount reversed	-
Loss allowance on 31 March 2025	**119.11**

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non-derivative				
Borrowings	1,758.11	1,604.33	2,084.13	25,564.29
Lease liabilities	58.87	119.16	127.50	1,732.27
Payable for property, plant and equipment	90.59	-	-	-
Trade Payables	45.60	-	-	-
Other financial liabilities	46.37	-	-	-

March 31, 2024

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non-derivative				
Borrowings	712.00	2,620.34	2,792.00	24,034.00
Lease liabilities	37.82	118.98	124.40	1,812.72
Payable for property, plant and equipment	26.28	-	-	-
Trade Payables	52.18	-	-	-
Other financial liabilities	266.68	-	-	-

33 Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

	March 31, 2025	March 31, 2024
Borrowings including accrued interest	30,946.62	30,251.89
Lease liabilties	706.09	683.17
Less: Cash and cash equivalents (includes other bank balances)	835.90	281.38
Net debt	**30,816.81**	**30,653.68**
Equity	7,522.33	8,875.35
Net Debt to Equity	**4.10**	**3.45**

Net debt to equity has increased in current year majorly on account decrease in total equity on account of loss during the year.

Loan Covenants

Under the terms of the borrowing facilities, the Company is required to comply with the following financial covenants:

(a) Debt Service coverage ratio to be not less than 1.10

The financial covenant are tested based on the audited financial statements every year which shall start from Financial Year 2026.

34. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Based on the information available with the Company, none of the vendors fall under the definition of micro, small and medium enterprises.

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount dues to micro and small enterprises	6.77	9.43
- Interest due thereon	0.01	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	45.46	7.12
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.56	0.13
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.57	0.13
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.70	0.13

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

35. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

(iv) There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) Utilisation of borrowed funds and share premium
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

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 Company 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.

36. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with the regulations.

37. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 3 Private Limited

Sandeep Mandke
Director
DIN : 09619581
Place : Houston Texas, USA
Date : April 28, 2025

Ravi Damaraju
Director
DIN : 09554649

Anjali Lothe
Chief Executive Officer

Veda Pathak
Company Secretary

Ashish Kumar
Chief Financial Officer

Place: Pune
Date : April 28, 2025

First Energy 4 Private Limited

Board of Directors
Ravi Damaraju
Sandeep Deshpande
Sanjay Parande
Ashok Joshi

Registered Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personel
Abhishek Agarwal, Chief Executive Officer
Meghana Supekar, Chief Financial Officer
Sourabh Sonawane, Company Secretary

Bankers
ICICI Bank

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure to present the Third Annual Report, together with the audited financial statements of your company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	2,661.36	1421.11
Profit before finance cost, depreciation, and tax	2,040.18	906.52
Finance Cost	1992.86	943.91
Profit before depreciation and tax	47.31	(37.39)
Depreciation and impairment	1335.22	588.93
Profit/(Loss) before tax	(1287.90)	(626.32)
Provision for taxation (incl. deferred tax)	-	-
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(1287.90)	(626.32)

State of Company's Affairs

The Solar capacity of 38.20 MW/56.85 MWp in the State of Tamil Nadu has been in operation since September 2023. Due to the heavy rainfall and subsequent flooding in the state of Tamil Nadu in December 2024, the operation of the plant was disrupted and the plant is subsequently restored.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affects the financial position of the Company.

Dividend

The directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the Company. The Paid-up Share Capital of the Company is Rs. 68,55,00,000 divided into 6,85,50,000 Equity Shares of Rs.10 each. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its renewable energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involves risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The major risk identified by the Company is generation loss due to lower radiation, and Grid failures. The Company continuously studies the radiation levels with historical data from reliable sources. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations

& Maintenance. The Company is also using water cleaning modules at regular frequency.

Health and Safety

Across all its operational assets, sites and offices, the company implements policies that covers Health and safety. The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors
- HSE Digitalisation: - HSE digital software implemented for hazard reporting at risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

During the year, the appointment of Mr. Sanjay Parande (DIN: 07161299) and Mr. Ashok Joshi (DIN: 02296952), Additional Independent Directors of the Company was regularized in the Annual General Meeting held on July 22, 2024.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Ravi Damaraju (DIN: 09554649) retires by rotation and being eligible offers himself for re-appointment. The proposal of re-appointment forms part of the Notice of the Third AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani (DIN: 01853530) resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Sourabh Sonawane was appointed as the Company Secretary and Key Managerial Personnel (KMP) of the Company with effect from May 2, 2024.

Board Evaluation

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its performance and of its individual Directors.

Policy on appointment and remuneration of directors and key managerial personnel

The Board has adopted a policy on selection and appointment of Directors and remuneration of Directors, KMPs and employees. The Directors do not receive any remuneration except independent directors who are entitled to sitting fees as approved by the Board for each Board/Committee meeting attended. A detailed policy is annexed herewith as Annexure 1 and forms part of this report.

Declaration by Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added in the data bank maintained by the Indian Institute of Corporate Affairs for independent directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. However, an individual who has fulfilled the criteria prescribed in Rule 6(4) of the said Rules, is exempted from passing the online proficiency self-assessment test. In view of the same, Mr. Sanjay Parande, having met the aforesaid criteria, was exempted from the proficiency self-assessment test and Mr. Ashok Joshi has passed the proficiency self-assessment test.

The Board is of the opinion that the Directors of the Company are eminent persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

Board Meetings

During the year, the Board met four times on May 2, 2024, July 22, 2024, October 28, 2024 and January 23, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Independent directors meeting

During the year under review, the independent directors met once on January 23, 2025 where all independent directors were present inter alia to review the performance of the Board and non-independent directors of the Company.

Committees of the Board

The Board has constituted the following committees viz. Audit Committee and Nomination and Remuneration Committee.

Audit Committee

The Audit committee as on March 31, 2025 comprises of all directors being non-executive directors viz Mr. Sanjay Parande as the Chairman and Mr. Ashok Joshi & Mr. Sandeep Deshpande as members of the committee. The Committee was reconstituted by the Board by a resolution passed by circulation on April 17, 2024 and Mr. Sandeep Deshpande was inducted as a member of the Committee. The committee met four times during the year on May 2, 2024, July 22, 2024, October 28, 2024 and January 23, 2025. Further, all the recommendations made by the audit committee were accepted by the Board.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Board of Directors was constituted on January 11, 2024. The committee comprises of all directors being non-executive directors viz Mr. Ashok Joshi as the Chairman and Mr. Sanjay Parande & Mr. Ravi Damaraju as members of the committee.

The Committee met twice during the year on May 2, 2024 and on January 23, 2025.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar and associated Renewable energy generation sources for commercial & industrial customers.

As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning. In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

In the case of Technology absorption, the Company used higher rated (>540Wp) Monoperc PV modules with better efficiency, a structure designed to string type Solar Inverters designed for outdoor installation

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the Company is a Subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. It has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Changes in the Regulatory Provisions and its impact on the business

The State notified several draft regulations in the year (grant of connectivity, green open access, wind re-powering/refurbishment, etc.) with positive impacts/opportunities for business, supporting the captive open access market. Further, demand for captive open access in the state continues to be robust.

Vigil mechanism

The Company has adopted the whistle blower policy of Thermax Limited, the ultimate holding company of the Company, which is applicable to all subsidiaries of Thermax Limited.

Auditors

Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five years from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Secretarial Auditors

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ladda Bhutada & Associates, Company Secretaries, Pune, to undertake the secretarial audit of the Company for FY 2024-25. The Secretarial Audit Report for FY 2024-25 is attached as Annexure 2 to this Report.

Internal Auditors

The Board has appointed Mr. Satish Jayaram, Chartered Accountant as the Internal auditor of the Company.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work and support.

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For and on behalf of the Board of Directors of
First Energy 4 Private Limited

Sandeep Deshpande	**Ravi Damaraju**
Director	Director
DIN: 07161299	DIN: 09554649

Pune, April 29, 2025

Annexure 1

Policy on Selection and Appointment of Directors and Remuneration of Directors, KMPs and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Non-Executive Directors (NEDs), based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict-of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration of Non- Executive Directors (NEDs):

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD, WTD & CEO:

i. At the time of appointment or re-appointment, the Managing Director (MD), Whole Time Director (WTD) and Chief Executive Officer (CEO) shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the MD, WTD and CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD, WTD and CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD, WTD and CEO, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/ employees and KMPs shall ensure the following:

(i) The remuneration is divided into Fixed component & Variable Component.

(ii) The division is based on the fixed salary and performance bonuses.

(iii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

Based on the Annual Business Plan prepared, Individual Contribution Plan (ICP) is prepared by the Senior Management which is agreed upon. It broadly contains certain targets for strategic objectives, operational excellence-oriented initiatives, and business deliverables. The actual performance of individual repartee will be discussed by the MD and CEO at the year's end. Based on the appraisal and overall performance of the Company and after considering the market trends, suitable increments/ variable pay shall be decided by the MD and CEO.

The MD & CEO will present a snapshot of the evaluation carried out to assess the performance of the Whole-time Director, while recommending the annual increment of the NRC, for its review and approval.

First Energy 4 Private Limited

Annexure 2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

FIRST ENERGY 4 PRIVATE LIMITED

Regd. Office Address: 6th Floor, Office No. 601 Cello Platina, F. C. Road, Shivajinagar, Pune - 411005, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. First Energy 4 Private Limited** bearing CIN: U40100PN2022PTC216736 (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Report on Secretarial Records and Compliances made thereunder

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representation made by the Management we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31st March, 2025**, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter. We have examined the books, papers, minute books, forms and returns filed on a test basis and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956, (SCRA) and the rules made thereunder; **Not applicable;**

iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, and the Regulations and Bye-laws framed thereunder; **Not applicable;**

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; **Not applicable;**

v. The Company is not listed on any Stock Exchange in India hence the Acts, Regulations, Guidelines etc., related to SEBI were **not applicable** to the Company:

vi. As per the management representation, no other laws applicable except mentioned below specifically to the Company during the audit period:

(a) The Indian Contract Act, 1872

(b) The Income Tax, 1961

(c) The Goods and Service Tax Act, 2017

(d) The Electricity Act, 2003

(e) The Indian Stamp Act, 1899 and The Maharashtra Stamp Act, 1958

(f) The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 and The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules, 2018.

(g) The Factories Act, 1948 and other allied State wise Factories Rules wherever the sites are located.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards as issued and notified by The Institute of Company Secretaries of India relating to Board Meetings and General Meetings: During the Year ended 31st March, 2025, the Company has complied with the applicable clauses of Secretarial Standard (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible.

(ii) The Listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015; **Not applicable**

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company has been duly constituted with proper balance of Non-Executive and Independent Directors, the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

   1.1. Mr. Mitish Manoharlal Somani (DIN: 01853530) who was appointed as Director has been resigned from the post of Director w.e.f. April 05, 2024.

   1.2. Mr. Sanjay Dinkar Parande (DIN: 07161299) who was appointed as Additional Independent Director on January 11, 2024 has been regularized from the post of Additional Director in Independent Capacity to Non-Executive Independent director w.e.f. July 22, 2024.

   1.3. Mr. Ashok Keshav Joshi (DIN: 02296952) who was appointed as Additional Independent Director on January 11, 2024 has been regularized from the post of Additional Director in Independent Capacity to Non-Executive Independent director w.e.f. July 22, 2024.

   1.4. Re-appointment of Mr. Ravi Damaraju (DIN: 09554649) who was eligible to retire by rotation has been re- appointed as a director of the company.

2. Adequate notice(s) have been given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and, in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. All the decisions in the board meetings were carried through by majority while there were no dissenting member's views and hence not captured and recorded as part of the minutes.

We further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to

monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following events /actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

i. In accordance with the provisions of the Companies Act, 2013, the Company increased its authorized paid-up share capital to₹ 69,00,00,000 (Rupees Sixty-Nine Crores only) on April 18, 2023. Further the company increased its paid-up share capital twice, by ₹ 50,71,00,000 on 19th June 2023 and ₹ 17,83,00,000 on 11th July 2023 respectively. However, The Company appointed Mr. Sourabh Sonawane (ACS 58561) as the Whole-Time Company Secretary (CS) and Key Managerial Personnel (KMP), effective from 02nd May, 2024.

ii. The company has approached its Holding Company for availing fund / non-fund based limits upto Rs 8.18 Crores under the total limit approved by Board of Directors.

iii. The Board Committees, namely Audit Committee and Nomination and Remuneration Committee have been constituted and have met 4 times and 2 times respectively.

iv. In line with the provisions of Companies Act, 2013, the Company has appointed Mr. Satish Jayaram as Internal Auditor of the Company in the Board Meeting held on 02nd May, 2024.

For Ladda Bhutada & Associates,
Company Secretaries,
ICSI Unique Code: P2009MH019500
Peer Review Cert. No.: 3288/2023

CS Pramodkumar R. Ladda
Partner
FCS: 7326; COP No.: 8006
ICSI UDIN: F007326G000142989

Date: April 18, 2025
Place: Pune, Bharat

Note: This report is to be read with Annexure A, which forms an integral part of this report.

First Energy 4 Private Limited

Annexure-A'

To the Secretarial Audit Report

For the financial year ended 31st March, 2025

To,
The Members,
FIRST ENERGY 4 PRIVATE LIMITED
Regd. Office Address: 6th Floor, Office No. 601 Cello Platina,
F. C. Road, Shivajinagar, Pune - 411005, Maharashtra, India.

Our Secretarial Audit report for the financial year ending 31st March, 2025, of even date is to be read along with this letter.

A. Management's Responsibility

It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

B. Auditor's Responsibility

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.

2. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

4. We have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

C. Disclaimer

1. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

2. The Secretarial Audit report is neither an assurance as to the future liability of the Company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For Ladda Bhutada & Associates,
Company Secretaries,
ICSI Unique Code: P2009MH019500
Peer Review Cert. No.: 3288/2023

CS Pramodkumar R. Ladda
Partner
FCS: 7326; COP No.: 8006
ICSI UDIN: F007326G000142989

Date: April 18, 2025
Place: Pune, Bharat

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy 4 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 4 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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.

First Energy 4 Private Limited

Report on other legal and regulatory requirements

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

13. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 33(viii) to the financial statements, 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, as disclosed in the Note 33(viii) to the financial statements, 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; and

        (c) Based on such audit procedures that we 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 or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIZ9778
Place : Pune
Date: May 7, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy 4 Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 4 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIZ9778
Place: Pune
Date: May 7, 2025

First Energy 4 Private Limited

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of First Energy 4 Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in 3 mutual fund schemes during the year.

The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3 (iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax, and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues of goods and services tax which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2025 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs.)	Amount paid under protest (Rs.)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax (including interest and penalty if applicable)	1,49,600	-	AY 23-24	Assessing Officer (CPC), Bangalore

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 14 to the financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has utilised funds raised on short-term basis aggregating Rs 951.55 lakhs for long-term purposes.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out in a phased manner. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) Under the group's phased audit plan, no internal audit has been conducted in the current year. Accordingly, Internal Audit Reports have not been considered by us for the purpose of our audit.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 67.90 lakhs in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQIZ9778
Place : Pune
Date: May 07, 2025

First Energy 4 Private Limited

Balance Sheet as at 31.03.2025

(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	26,011.15	26,359.77
Deferred tax assets (net)	4	-	-
Income tax assets (net)	5	5.48	3.80
Other non-current assets	6	4.20	9.06
Total non-current assets		**26,020.83**	**26,372.63**
Current assets			
Financial assets			
(a) Investments	7	-	1,692.99
(b) Trade receivables	8	255.23	265.33
(c) Cash and cash equivalents	9	85.41	261.54
(d) Other financial assets	10	760.30	263.26
Other current assets	11	148.17	39.52
Total current assets		**1,249.11**	**2,522.64**
Total Assets		**27,269.94**	**28,895.27**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	12	6,855.00	6,855.00
Other equity	13	(2,032.29)	(744.39)
Total equity		**4,822.71**	**6,110.61**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	14(a)	19,877.45	19,841.91
Total non-current liabilities		**19,877.45**	**19,841.91**
Current liabilities			
Financial liabilities			
(a) Borrowings	14(b)	1,357.12	389.94
(b) Trade payables	15		
i) total outstanding dues of micro enterprises and small enterprises		2.76	6.02
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		372.93	301.85
(c) Other financial liabilities	16	157.09	1,560.86
Other current liabilities	17	679.88	684.08
Total current liabilities		**2,569.78**	**2,942.75**
Total Equity and Liabilities		**27,269.94**	**28,895.27**

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Income		**-**	
Revenue from operations	18	2,578.37	1,069.30
Other income	19	83.00	359.48
Total Income		**2,661.37**	**1,428.78**
Expenses			
Finance costs	20	1,992.86	943.91
Depreciation and impairment expense	21	1,335.22	588.93
Other expenses	22	621.19	522.26
Total Expenses		**3,949.27**	**2,055.10**
Loss before tax		**(1,287.90)**	**(626.32)**
Tax expense			
Current tax	4	-	-
Deferred tax	4	-	-
Loss for the year		**(1,287.90)**	**(626.32)**
Total comprehensive income for the year		**(1,287.90)**	**(626.32)**
Loss per equity share			
Basic & Diluted [nominal value per share ₹ 10/-]	23	**(1.88)**	**(1.01)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 4 Private Limited

Sandeep Deshpande
Director
DIN: 09748806

Ravi Damaraju
Director
DIN : 09554649

Abhishek Agrawal
Chief Executive Officer

Meghana Supekar
Chief Financial Officer

Sourabh Sonawane
Company Secretary

Place: Pune
Date : April 29, 2025

Statement of cash flows for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Cash flows used in operating activities**		
	Loss before tax	(1,287.90)	(626.32)
	Adjustments for		
	Depreciation and impairment expense	1,335.22	588.93
	Provisions no longer required written back	(12.50)	-
	Finance costs	1,992.86	943.91
	Interest income from financial assets at amortised cost	(16.43)	(6.64)
	Gain on mutual fund measured at fair value through profit or loss	(53.96)	(30.51)
	Working capital adjustments		
	(Increase)/decrease in trade receivables	10.10	(265.33)
	(Increase) in other financial assets	(4.39)	-
	(Increase) in other assets	(103.79)	(48.58)
	Increase in trade payables	74.24	263.47
	Increase in other liabilities	1.89	629.89
	Increase/(decrease) in other financial liabilities	(1.74)	1.82
	Cash generated from operations	**1,933.60**	**1,450.64**
	Income taxes paid (net of refunds)	(1.68)	(3.48)
	Net cash generated from operating activities	**1,931.92**	**1,447.16**
B)	**Cash flows from investing activities**		
	Payment for property, plant and equipment	(2,422.78)	(14,003.30)
	Proceeds from sale of property, plant and equipment	-	127.42
	Investment in mutual funds	(507.97)	(3,534.82)
	Fixed deposits placed with banks	(493.41)	(100.00)
	Redemption of fixed deposits	-	100.00
	Proceeds from sale of mutual funds	2,254.92	1,872.34
	Interest received	17.19	17.04
	Net cash flows used in investing activities	**(1,152.05)**	**(15,521.32)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	1,191.00	33,560.00
	Repayment of borrowings	(229.88)	(25,547.50)
	Transaction cost for availing borrowings	(8.62)	(138.15)
	Proceeds from issue of equity shares	-	6,854.00
	Cost related to issue of own equity instruments	-	(66.84)
	Interest paid on borrowing	(1,908.50)	(940.48)
	Interest paid and capitalised in Property, plant and equipment	-	(631.00)
	Net cash flows from/(used in) financing activities	**(956.00)**	**13,090.03**
	Net decrease in cash and cash equivalents	**(176.13)**	**(984.13)**
	Cash and cash equivalents at the beginning of the financial year	261.54	1,245.67
	Cash and cash equivalents at the end of the financial year	**85.41**	**261.54**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025	March 31, 2024
Cash and cash equivalent [refer note 9]	85.41	261.54
Balances as per Statement of Cash Flows	**85.41**	**261.54**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7: Statement of Cash Flows'.

ii) Refer note 14(b) for net debt reconciliation

The above Statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 4 Private Limited

Sandeep Deshpande
Director
DIN: 09748806

Ravi Damaraju
Director
DIN : 09554649

Abhishek Agrawal
Chief Executive Officer

Meghana Supekar
Chief Financial Officer

Sourabh Sonawane
Company Secretary

Place: Pune
Date : April 29, 2025

First Energy 4 Private Limited

Statement of changes in equity for the year ended March 31, 2025
(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at April 1, 2023	**1.00**
Issued during the period	6,854.00
As at March 31, 2024	**6,855.00**
Issued during the year	-
As at March 31, 2025	**6,855.00**

B Other Equity

Particulars	Retained Earnings	Total
As at April 1, 2023	(51.23)	(51.23)
Loss for the period	(626.32)	(626.32)
Other comprehensive income	-	-
Total comprehensive income for the year	**(626.32)**	**(626.32)**
Cost related to issue of own equity instruments	(66.84)	(66.84)
As at March 31, 2024	**(744.39)**	**(744.39)**
Loss for the year	(1,287.90)	(1,287.90)
Other comprehensive income	-	-
Total comprehensive income for the year	**(1,287.90)**	**(1,287.90)**
As at March 31, 2025	**(2,032.29)**	**(2,032.29)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 4 Private Limited

Sandeep Deshpande
Director
DIN: 09748806

Ravi Damaraju
Director
DIN : 09554649

Abhishek Agrawal
Chief Executive Officer

Meghana Supekar
Chief Financial Officer

Sourabh Sonawane
Company Secretary

Place: Pune
Date : April 29, 2025

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy 4 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on December 7, 2022 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business as a producer of solar power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 29, 2025. The CIN of the Company is U40100PN2022PTC216736.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in power purchase agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

At the end of each reporting period, the Company updates the estimated transaction price to represent the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Company accounts for such changes in the transaction price (including claims). Consideration / claim payable to a customer includes cash amounts that an entity pays to the customer. The Company accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct goods or service that the customer transfers to the entity. The consideration payable to a customer includes a variable amount.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30
Furniture and fixtures	10	10
Computers	3	3
Roads	3	3
Office equipment	5	5

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in Statement of Cash Flows.

2.3. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the

acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss.

iv. Equity investments

All equity investments in scope of Ind AS 109 - "Financial Instruments", are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Currently, for all equity instruments, subsequent changes in the fair value is recognized in Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

c. Property, plant and equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i. Provisions

Provisions are recognized when the Company has a present

obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

j. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

k. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

l. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

m. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected generation based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would lead to recoverable amount and conclusion on impairment assessment.

ii. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

iii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget over the useful life of assets as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows. The estimates involved includes long term debt cost, cost of equity and long term debt equity ratio.

iv. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

v. Deferred taxes

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

vi. Revenue recognition

The Company recognises revenue (including the adjustment to transaction price resulting due to customer claims) as per the applicable power purchase agreement, ongoing negotiation with customers, management's probability estimate and the past trends of settlement.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

3 (a) Property, Plant and Equipment

Particulars	Freehold land	Building	Plant and Machinery	Office Equipment	Roads	Furniture	Computer	Total	Capital work-in-progress
Gross carrying amount:									
As at April 1, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	113.61
Additions	385.23	386.69	26,077.14	5.60	214.11	7.00	0.35	27,076.12	26,962.51
Deduction/Transfer	127.42	-	-	-	-	-	-	127.42	27,076.12
As at March 31, 2024	**257.81**	**386.69**	**26,077.14**	**5.60**	**214.11**	**7.00**	**0.35**	**26,948.70**	**-**
Additions	-	-	982.13	4.47	-	-	-	986.60	-
Deduction	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**257.81**	**386.69**	**27,059.27**	**10.07**	**214.11**	**7.00**	**0.35**	**27,935.30**	**-**
Accumulated depreciation and impairment									
As at April 1, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
For the Year	-	23.18	530.63	0.54	34.18	0.34	0.06	588.93	-
As at March 31, 2024	**-**	**23.18**	**530.63**	**0.54**	**34.18**	**0.34**	**0.06**	**588.93**	**-**
For the year	-	45.99	1,064.10	1.82	67.80	0.67	0.11	1,180.49	-
Impairment loss (refer note 29)	-	-	154.73	-	-	-	-	154.73	-
As at March 31, 2025	**-**	**69.17**	**1,749.46**	**2.36**	**101.98**	**1.01**	**0.17**	**1,924.15**	**-**
Net carrying amount:									
As at March 31, 2025	**257.81**	**317.52**	**25,309.81**	**7.71**	**112.13**	**5.99**	**0.18**	**26,011.15**	**-**
As at March 31, 2024	**257.81**	**363.51**	**25,546.51**	**5.06**	**179.93**	**6.66**	**0.29**	**26,359.77**	**-**

i) See note 14 for information on property, plant and equipment pledged as security by the Company.

ii) See note 24 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

Capitalization of expenses

During the period, the Company has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Reimbursement of salaries and wages	-	120.15
Interest and reimbursement of interest expenses*	-	467.40
Depreciation and reimbursement of depreciation*	-	13.30
Reimbursement of other expenses	-	7.54
Total	**-**	**608.39**

*Reimbursement of interest and depreciation includes expenses pertaining to rental property for which right -of- use assets and lease liabilities have been recognised.

4. Deferred tax assets (net)

The balance comprise of temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Assets		
Losses available for offsetting future taxable income	2,590.12	1,647.17
Others	-	9.21
Total	**2,590.12**	**1,656.38**
Deferred Tax Liabilities		
Depreciation of property, plant and equipment	2,573.55	1,654.33
Ind AS impact on borrowings	16.57	2.05
Total	**2,590.12**	**1,656.38**
Net Deferred Tax Assets	**-**	**-**

The Company has tax losses of Rs 1,938.30 lakhs (March 31, 2024 - Rs 769.51) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profit elsewhere in the company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs 332.61 lakhs (March 31, 2024 - Rs 132.11 lakhs).

Particulars	Expiry date	As at March 31, 2025		As at March 31, 2024	
		Amount	Tax Impact	Amount	Tax Impact
Unabsorbed depreciation	No Expiry period	1,938.30	332.61	769.51	132.11
Total		**1,938.30**	**332.61**	**769.51**	**132.11**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit and Loss is as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Loss before tax	(1,287.90)	(626.32)
Income tax rate	17.16%	17.16%
Expected tax expense / (credit)	(221.00)	(107.48)
Deferred tax assets not recognised on losses	221.00	132.11
Other	-	(24.63)
Total tax expense	**-**	**-**

5. Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	3.80	0.32
Add: Taxes paid during the year	2.78	3.80
Less: Amount received during the year	(1.10)	(0.32)
Total	**5.48**	**3.80**

First Energy 4 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

6. Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	4.20	9.06
Total	**4.20**	**9.06**

7. Current investments

Particulars	Number of units		Amount	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investment at fair value through Profit and Loss				
Investments in Mutual Funds:				
Nippon India Liquid Fund - Growth - Regular	-	6,975	-	407.58
ICICI Prudential Overnight Fund - Growth -Regular	-	5,472	-	70.28
HDFC Liquid Fund - Growth - Regular	-	12,933	-	607.57
HSBC Liquid Fund Growth - Regular	-	25,456	-	607.56
Total current investments			**-**	**1,692.99**
Aggregate value of quoted investments and market value thereof			-	-
Aggregate value of unquoted investments			-	1,692.99
Aggregate amount of impairment in the value of investments			-	-

8. Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
-Unbilled*	255.23	265.33
-Billed	-	-
Total	**255.23**	**265.33**
Break-up for security details:		
Trade receivables considered good - Unsecured	255.23	265.33
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	255.23	**265.33**
Less: Loss allowance	**-**	**-**
Total	**255.23**	**265.33**

No trade or other receivables are due from directors or officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivables are unbilled because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade receivables ageing:

As at March 31, 2025

Particulars/Projects	Unbilled	Not due	Outstanding for the following period from due date of payments			Total
			Less than 6 months	6 months-1 year	1-2 years	
Undisputed Trade Receivables-considered good	255.23	-	-	-	-	255.23
Total	**255.23**	**-**	**-**	**-**	**-**	**255.23**

As at March 31, 2024

Particulars/Projects	Unbilled	Not due	Outstanding for the following period from due date of payments			Total
			Less than 6 months	6 months-1 year	1-2 years	
Undisputed Trade Receivables-considered good	265.33	-	-	-	-	265.33
Total	**265.33**	**-**	**-**	**-**	**-**	**265.33**

9. Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with Bank		
-In current accounts	85.41	41.54
-Deposits with original maturity of less than three months	-	220.00
Total	**85.41**	**261.54**

10. Other financial assets (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	262.50	262.50
Deposit with original maturity of more than twelve months*	493.41	-
Interest accrued on fixed deposit	-	0.76
Other receivables	4.39	-
Total	**760.30**	**263.26**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against Borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to INR 480.00 lakhs.

11. Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	147.65	23.21
Balances with government authorities	0.52	16.31
Total	**148.17**	**39.52**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

12 Share Capital

(a) Authorized share Capital

Particulars	No. of shares	Amount
As at April 1, 2023		**1.00**
Increase during the period	6,89,90,000	6,899.00
As at March 31, 2024	**6,90,00,000**	**6,900.00**
Increase during the year	-	-
As at March 31, 2025	**6,90,00,000**	**6,900.00**

b. Issued, Subscribed and Fully Paid up Share Capital

Equity shares of ₹ 10 each

Particulars	No. of shares	Amount
As at April 1, 2023		**1.00**
Changes during the period	6,85,40,000	6,854.00
As at March 31, 2024	**6,85,50,000**	**6,855.00**
Changes during the year	-	-
As at March 31, 2025	**6,85,50,000**	**6,855.00**

(c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Equity shares held by holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Private Limited (including 6 shares held by nominee shareholders)	5,07,20,000	5,072.00	5,07,20,000	5,072.00
Equity shares of Rs 10 each				

e) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited, India		
% Holding	73.99%	73.99%
No. of shares	5,07,20,000	5,07,20,000
(ii) MRF Limited		
% Holding	19.10%	19.10%
No. of shares	1,30,90,000	1,30,90,000
(iii) Sundram Fasteners Limited		
% Holding	6.91%	6.91%
No. of shares	47,40,000	47,40,000

f) Shares held by promoters at the end of the year/period

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited	5,07,20,000	73.99%	5,07,20,000	73.99%	0.00%

g) Aggregate number of shares issued for consideration other than cash :

There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately proceeding the reporting date.

13. Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	(744.39)	(51.23)
Loss for the year	(1,287.90)	(626.32)
	(2,032.29)	**(677.55)**
Cost related to issue of own equity instruments	-	(66.84)
Total	**(2,032.29)**	**(744.39)**

14. Borrowings

(a) Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans from bank		
Indian rupee loans from banks*	20,246.57	20,061.85
Less: Current maturities of long-term borrowings (included in current borrowings)	369.12	219.94
Total	**19,877.45**	**19,841.91**

* After considering unamortised expense of Rs. 96.55 lakhs (March 31, 2024 - Rs. 138.15 lakhs).

Aggregate secured borrowings	19,877.45	19,841.91
Aggregate unsecured borrowings	-	-

(b) Loans are measured at amortised cost.

Particulars	Date of maturity	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from ICICI Bank	August 1, 2043	Repayable in 77 structured quarterly instalments from July 1, 2024	9.40% (Interest rate is 3M MCLR p.a +0.30% p.a)	10,361.33	20,061.85
Loan from Axis Bank	August 1, 2043	Repayable in 77 structured quarterly instalments from July 1, 2024	9.40% (Interest rate is 3M MCLR p.a +0.30% p.a)	9,885.24	-

During the year, the company has used all the borrowings for specific purpose for which which they have obtained.

Note: As at March 31, 2025, the Company has not complied with some of the covenants under loan agreements in respect of secured borrowings from banks of Rs. 20,246.57 lakhs. The Company has received confirmation from the banks that the said borrowings will not be recalled as a consequence of such breach.

Details of Security

Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total shares of the Company, held by the holding company.

(b) Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of long term borrowings from bank	369.12	219.94
Unsecured loans		
Loan from holding company	988.00	170.00
Total	**1,357.12**	**389.94**
Aggregate secured borrowings	369.12	219.94
Aggregate unsecured borrowings	988.00	170.00

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from Holding company	September 27, 2025 (March 31, 2024 - March 31, 2025)	Repayable in single/multiple tranches along with the accumulated interest thereon	8.95% (March 31, 2024 - 8.15%)	988.00	170.00

During the year, the Company has used all the borrowings for specific purpose for which they have been obtained.

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	85.41	261.54
Borrowings	(21,234.57)	(20,231.85)
Interest accrued	(37.58)	(3.43)
Net debt	**(21,186.74)**	**(19,973.74)**

	Other assets	Liabilities from financing activities	Total
	Cash & cash equivalents	Borrowings including accrued interest	
Net debt as at April 1, 2023	**1,245.67**	**(12,521.10)**	**(11,275.43)**
Cash flows	(984.13)	(7,874.35)	(8,858.48)
Interest expenses capitalised	-	(467.40)	(467.40)
Interest expenses	-	(943.91)	(943.91)
Interest paid	-	1,571.48	1,571.48
Net debt as at March 31, 2024	**261.54**	**(20,235.28)**	**(19,973.74)**
Cash flows	(176.13)	(952.51)	(1,128.64)
Interest expenses	-	(1,992.86)	(1,992.86)
Interest paid	-	1,908.50	1,908.50
Net debt as at March 31, 2025	**85.41**	**(21,272.15)**	**(21,186.74)**

15. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises	2.76	6.02
Total outstanding dues of creditors other than micro and small enterprises		
i) Related parties	67.59	12.81
ii) Others	305.34	289.04
Total	**375.69**	**307.87**

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	2.23	0.25	0.22	0.06	-	-	2.76
(ii) Others	303.38	67.70	1.85	-	-	-	372.93
Total	**305.61**	**67.95**	**2.07**	**0.06**	**-**	**-**	**375.69**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	5.87	0.15	-	-	-	-	6.02
(ii) Others	286.38	6.15	9.32	-	-	-	301.85
Total	**292.25**	**6.30**	**9.32**	**-**	**-**	**-**	**307.87**

16. Other financial liabilities (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipment	119.43	1,555.61
Interest accrued but not due on loans	37.58	3.43
Other payables	0.08	1.82
Total	**157.09**	**1,560.86**

17. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Advance from customers (Contract liabilities)	2.17	-
Statutory tax payables	0.04	0.34
Advance from insurance company (refer note 29)	677.67	677.67
Others	-	6.07
Total	**679.88**	**684.08**

18. Revenue from operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contract with customers:		
Revenue from power supply	2,578.37	1,069.30
Total	**2,578.37**	**1,069.30**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	2,578.37	1,069.30
At a point in time basis	-	-
Total revenue from contracts with customers	**2,578.37**	**1,069.30**
ii) Revenue by geographical market:		
Within India	2,578.37	1,069.30
Outside India	-	-
Total revenue from contracts with customers	**2,578.37**	**1,069.30**

iii) Reconciliation between revenue recognised in Statement of Profit and Loss and contract price

There is no variation between revenue recognised in Statement of Profit and Loss and contract price.

iv) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

19. Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest on income tax refund	0.11	-
Interest income from financial assets at amortised cost	16.43	6.64
Insurance claim received (Refer note 29)	-	322.33
Gain on sale of mutual fund measured at fair value through profit and loss	53.96	30.51
Provisions no longer required written back	12.50	-
Total	**83.00**	**359.48**

20. Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost		
-bank	1,954.92	1,408.11
-holding company	37.94	3.20
Less: Capitalized during the year	-	(467.40)
Total	**1,992.86**	**943.91**

21. Depreciation and impairment expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	1,180.49	588.93
Impairment of property, plant and equipment (refer note 29)	154.73	-
Total	**1,335.22**	**588.93**

22. Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Labour charges	0.62	5.43
Site expenses	68.67	15.49
Rent expenses	3.07	0.15
Rates and taxes	43.55	9.89
Insurance	216.77	21.68
Repairs and maintenance (Refer note 29)	11.94	339.29
Travelling and conveyance	18.70	21.11
Legal & professional charges	19.17	13.94
Technical charges/ fees	19.62	17.87
Auditor's remuneration (refer below note)	2.95	2.95
Director remuneration	3.30	-
Corporate overhead allocation	-	39.60
Management fees	32.10	-
Operation and maintenance charges	171.32	28.26
Miscellaneous expenses	9.41	6.60
Total	**621.19**	**522.26**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current and previous year.

Note: Auditor's remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory audit fees (Including GST)	2.95	2.95
Total	**2.95**	**2.95**

23. Loss per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net loss attributable to the equity shareholders of the Company	(1,287.90)	(626.32)
Weighted average number of equity shares of Rs.10/- each	6,85,50,000	6,19,04,685
Basic and Diluted loss per share	**(1.88)**	**(1.01)**

24. Contingent liabilities and commitments

Contingent liabilities

There are no liabilities of contingent nature.

Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Nil (March 31, 2024 Rs. 35.37 lakhs).

25. Related party disclosures

A Immediate holding company

First Energy Private Limited

B Ultimate holding company

RDA Holding Private Limited

C Intermediate holding company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

First Energy 4 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

D Key Management Personnel:

1 Mr. Ravi Damaraju - Director

2 Mr. Sandeep Deshpande - Director

3 Mr. Ashok Joshi - Independent director (w.e.f. January 11, 2024)

4 Mr. Sourabh Sonawane - Company Secretary (w.e.f. May 02, 2024)

5 Mr. Sanjay Parande - Independent director (w.e.f. January 11, 2024)

6 Mrs. Meghna Supekar - Chief Financial Officer (w.e.f. December 4, 2023)

7 Mr. Mitesh Somani - Director (till April 5, 2024)

8 Mr. Abhishek Agarwal - Chief Executive Officer (w.e.f. December 04, 2023)

E Entities under common control with whom there have been transactions during the year

First Energy 5 Private Limited

First Energy 6 Private Limited

First Energy 7 Private Limited

F Transactions with Related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
With Immediate holding company		
First Energy Private Limited		
Subscription for equity shares by holding company	-	5,071.00
Interest expenses	37.94	622.80
Management fee	32.10	-
Reimbursement of expenses paid (including capitalised)	0.05	175.72
Loan taken	818.00	13,360.00
Loan repaid	-	25,547.50
Corporate overhead allocation	-	39.60
With group company		
First Energy 5 Private Limited		
Recovery of expenses	-	4.39
Payable for property, plant and equipment	-	669.80
First Energy 6 Private Limited		
Reimbursement of interest received	-	293.10
Reimbursement of expenses paid	-	0.49
Reimbursement of expenses received	-	3,365.31
First Energy 7 Private Limited		
Reimbursement of expenses received	1.33	-
Key management personnel compensation		
Short term employee benefits (Director sitting fees)	3.30	-

G Outstanding balances

Particulars	As at March 31, 2025	As at March 31, 2024
Immediate holding company		
Borrowings	988.00	170.00
Trade payables	67.59	12.81
Payable for property, plant and equipment	-	21.45
Interest accrued but not due	37.58	3.43
Other payable	0.05	-
With group company		
First Energy 5 Private Limited		
Payable for property, plant and equipment	-	669.80
Other receivable	4.39	-

H Terms and conditions for outstanding balances

All outstanding balances are unsecured, interest free except for borrowings and payable in cash. For details of interest on borrowings, refer note 14.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

26 Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payable	375.69	307.87
Borrowings	21,234.57	20,231.85
Other liabilities	157.09	1,560.86
Total	**21,767.35**	**22,100.58**
Current liabilities	1,889.90	2,258.67
Non current liabilities	19,877.45	19,841.91
Total	**21,767.35**	**22,100.58**

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	255.23	265.33
Cash and cash equivalents	85.41	261.54
Other financial assets	760.30	263.26
Total	**1,100.94**	**790.13**
Current assets	1,100.94	790.13
Non-current assets	-	-
Total	**1,100.94**	**790.13**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assets		
Investments		
Mutual funds	-	1,692.99
Total financial assets (current)	**-**	**1,692.99**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Fair value hierarchy

The following table provide the fair value measurement hierarchy of the Company's assets.

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial Assets				
Investments				
Mutual funds	March 31, 2024	-	1,692.99	-

Level I: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of NAV based on report issued by mutual fund house.

27. Financial risk management

The Company's principal financial liabilities comprise borrowings, trade and 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 and cash and cash equivalents are derived directly from its operations.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Management of the Company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The Management of the company reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk.

The Management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings	20,246.57	20,061.85

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Interest rates - Increase by 25 (March 31, 2024 - 50) basis points	(50.99)	(42.08)
Interest rates - Decrease by 25 (March 31, 2024 - 50) basis points	50.99	42.08

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the current year and comparative period and hence not exposed to any foreign currency risk.

c) Price risk

The Company's investments are susceptible to market risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Company manages the price risk through placing limits on individual and total equity/ mutual fund investments. Reports on the investment portfolio are submitted to the management on a regular basis. The Company is not currently exposed significantly to such risks.

II 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 security deposits) and from its investing activities, including deposits with banks.

Expected credit loss for

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes above. There is no charge of impairment to Statement of profit and loss.

Trade receivables	As at March 31, 2025		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	255.23	0%	-
Total	**255.23**	**0%**	**-**

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Trade receivables	As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	265.33	0%	-
Total	**265.33**	**0%**	**-**

Balances with Banks

Credit risk from balances with banks is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits which is considered to be low risk. No loss allowance is required to be recognised for the same.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, marketable securities the availability of funding through an adequate amount of committed credit facilities to meet obligations. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	1,357.12	1,127.71	1,703.73	17,142.56
Trade payables	375.69	-	-	-
Other financial liabilities	157.09	-	-	-

March 31, 2024

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	389.94	812.99	1,461.02	17,706.05
Trade payables	307.87	-	-	-
Other financial liabilities	1,560.86			-

28 Analytical ratios

S. No.	Particulars	Numerator	Denominator	For the year ended March 31, 2025	For the year ended March 31, 2024	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current assets	Current liabilities	0.49	0.86	-43%	Due to decrease in current assets because of redemption of entire current investment
2	Debt-Equity Ratio	Total debt	Shareholders' equity	4.40	3.31	33%	Due to increase in borrowings and decrease in equity on account of loss during the year
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt service (Interest + Principal repayments)	0.92	0.03	2633%	Due to decrease in debt service in current year
4	Return on Equity	Net profits after taxes	Average shareholder's equity	-23.56%	-20.67%	14%	Not Applicable
5	Return on investment	Investment income	Average investment	5.85%	4.39%	33%	Due to increase in average investment yield
6	Trade Receivables turnover Ratio	Total sales	Average trade receivable	9.91	4.00	148%	Major increase due to increase in sales and decrease in average trade receivables
7	Trade payables turnover Ratio	Net credit purchases	Average trade payables	1.82	2.92	-38%	Due to significant decrease in average trade payables
8	Net capital turnover Ratio	Total sales	Working capital	-1.95	-2.53	-23%	Not Applicable
9	Return on Capital employed	Earning before interest and taxes (EBIT)	Capital employed	2.71%	1.21%	124%	Due to increase in EBIT for the year
10	Net Profit Ratio	Net Profits/(loss) after taxes	Revenue	-0.50	-0.59	-15%	Not Applicable

Working Capital = Current assets less Current liabilities
Capital employed = Tangible Net worth plus total debt
Average = (Opening + Closing)/2

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

29 The plant of the Company was hit by unprecedented torrential rain around mid December 2023 resulting in submerging of the project site. The management has performed assessment of losses incurred on account of this event. Modules worth INR 10,925 lakhs were also submerged under water, but a substantial portion of these modules were subsequently operational and there was no sign of any physical damage except for a few modules. The Management had filed for an insurance claim for total loss inclusive of modules cost amounting to INR 11,700 lakhs which was later revised to INR 7,400 lakhs. The insurance company had acknowledged the intimation of claim and had confirmed that the property and the event are covered under the policy. Further the Insurance Company had remitted INR 1,000 lakhs as on account payment. The expense of INR 339 lakhs pertaining to damage was accounted for as repairs and maintenance cost in the books of account and the corresponding insurance claim income of INR 323 lakhs was recognized based on management's assessment of insurance claim being virtually certain. The discussion with insurance company for ascertainment of damage is still ongoing.

The site of the Company was affected by severe rains in December 2024 resulting in submerging of site. The management has performed assessment of losses incurred on account of this event. Basis the assessment, amount of Rs. 154.73 Lakhs has been recognized as impairment expenses for the damage in the books of accounts. The management has communicated the extent of damages to the insurer.

30 Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

	As at March 31, 2025	As at March 31, 2024
Borrowings including accrued interest	21,272.15	20,235.28
Less: Cash and cash equivalents (includes other bank balances)	85.41	261.54
Net debt	**21,186.74**	**19,973.74**
Equity	**4,822.71**	**6,110.61**
Net Debt to Equity	**4.39**	**3.27**

Net debt to equity has increased majorly on account of increase in debt and decrease in equity due losses incurred in current year.

Loan Covenants

Under the terms of the borrowing facilities, the Company is required to comply with the following financial covenants:

(a) Fixed Asset Coverage Ratio should not be less than 1.24:1

(b) Debt Service coverage ratio (DSCR) to be not less than 1.25

(c) Interest Coverage Ratio does not fall below 1.5:1

(d) Total outside liability/ Tangible Net Worth should not be more than 4:1

The financial covenant are tested based on the audited financial statements after the end of each financial year.

Some of the debt covenants were not complied as at March 31, 2025, refer note 14 for details.

31 Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

32 Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Due to small- scale industrial undertakings have been worked out on the basis of information available with the management.

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount dues to micro and small enterprises	2.76	6.02
- Interest due thereon	0.00	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.	-	-
The amount of payment made to the supplier beyond the appointed day during the year	30.68	2.00
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.08	0.07
The amount of interest accrued and remaining unpaid at the end of each accounting year.	0.08	0.07
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.15	0.07

33. Other statutory information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

(iv) There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

34. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with the regulations.

35. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place : Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 4 Private Limited

Sandeep Deshpande
Director
DIN: 09748806

Ravi Damaraju
Director
DIN : 09554649

Abhishek Agrawal
Chief Executive Officer

Meghana Supekar
Chief Financial Officer

Sourabh Sonawane
Company Secretary

Place: Pune
Date : April 29, 2025

First Energy 5 Private Limited

Board of Directors
Ravi Damaraju
Sandeep Deshpande
Sumit Rathi
Ashok Joshi
Sanjay Parande

Registered Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personnel
Vinayak Deshpande - CEO
Sanjay Purohit - CFO
Swara Kharadkar - CS

Bankers
ICICI Bank
Central Bank of India

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure in presenting the Third Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	6.0	13.6
Profit before finance cost, depreciation, and tax	(106.9)	(27.1)
Finance Cost	-	0.3
Profit before depreciation and tax	(106.9)	(27.4)
Depreciation and impairment	3.1	-
Profit/(Loss) before tax	(109.9)	(27.4)
Provision for taxation (incl. deferred tax)	-	0.7
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(109.9)	(28.1)

State of Company's Affairs

The Company's Renewable Energy project with Wind Technology of 39MW capacity was partially commissioned up to 24MW during the year and balance 15 MW is in progress.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

In a view of accumulated losses, the directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves.

During the year, the Company has not transferred any amount to the General Reserve.

Share Capital

During the year under review, there were no changes in the capital structure of the Company.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors, or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its Renewable Energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involved the risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also collaborates with competent local infra partners and engages with experienced and capable service partners.

- **Renewable Sources and Grid Availability**

  The risk identified by the Company is lower generation on account of lower wind speed, and Grid failures. The Company continuously studies the Wind Resources Assessment with historical data from reliable sources and accordingly sizes the plant and the financial models for arriving at the right tariff for the available conditions. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns . This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance.

Health and Safety

Across all its operational assets, sites and offices, the company implements policies that covers Health and safety

First Energy 5 Private Limited

The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalisation: - HSE digital software implemented for hazard reporting and risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Ravi Damaraju (DIN: 09554649) retires by rotation and being eligible offers, himself for re-appointment. The proposal for re-appointment forms part of the Notice of the Third AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Sumit Rathi was appointed as an Additional Director of the Company with effect from April 3, 2024, and his appointment was regularized on July 23, 2024.
- Ms. Swara Kharadkar was appointed as the Company Secretary and Key Managerial Personnel (KMP) of the Company with effect from May 2, 2024.
- Mr. Chandrasekhar Sureshnathan resigned as Chief Executive Officer of the Company with effect from June 19, 2024.
- Mr. Ashok Joshi (DIN: 02296952) and Mr. Sanjay Parande (DIN: 07161299) were appointed as additional independent directors of the Company with effect of July 26, 2024.
- Mr. Vinayak Deshpande was appointed as the Chief Executive Officer of the Company with effect from January 24, 2025.

Policy on appointment and remuneration of directors and key managerial personnel

The Board has adopted a policy on selection and appointment of Directors and remuneration of Directors, KMPs and employees. The Directors do not receive any remuneration except independent directors who are entitled to sitting fees as approved by the Board for each Board/Committee meeting attended. A detailed policy is annexed herewith as Annexure 1 and forms part of this report.

Declaration by Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added in the data bank maintained by the Indian Institute of Corporate Affairs for independent directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. However, an individual who has fulfilled the criteria prescribed in Rule 6(4) of the said Rules, is exempted from passing the online proficiency self-assessment test. In view of the same, Mr. Sanjay Parande, having met the aforesaid criteria, was exempted from the proficiency self-assessment test and Mr. Ashok Joshi has passed the proficiency self-assessment test.

The Board is of the opinion that the Directors of the Company are eminent persons with integrity and have the necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

Board Meetings

During the year, the Board met four times on May 02, 2024, July 26, 2024, October 29, 2024 and January 24, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Independent directors meeting

During the year under review, the independent directors met once on January 23, 2025 where all independent directors were present inter alia to review the performance of the Board and non-independent directors of the Company.

Committees of the Board

The Board has constituted the following committees viz. Audit Committee and Nomination and Remuneration Committee.

Audit Committee

The Audit Committee of the Board of Directors was constituted on July 26, 2024. The committee comprises of all directors being non-executive directors viz Mr. Sanjay Parande as the Chairman and Mr. Ashok Joshi & Mr. Sandeep Deshpande as members of the committee. The committee met twice during the year on October 29, 2024, and January 24, 2025. Further, all the recommendations made by the audit committee were accepted by the Board.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Board of Directors was constituted on July 26, 2024. The committee comprises of all directors being non-executive directors viz Mr. Ashok Joshi as the Chairman and Mr. Sanjay Parande & Mr. Ravi Damaraju as members of the committee. The committee met once on January 24, 2025.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as

amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Wind and associated Renewable energy generation sources for commercial & industrial customers.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the Company is a subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of Companies Act, 2013 as on March 31, 2025. Hence, the Corporate Social Responsibility provisions are not attracted.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing a safe and conducive work environment for its employees and has complied with provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013.

There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of one-time settlement with any Bank or Financial Institution.

Vigil mechanism

The Company has adopted the whistle blower policy of Thermax Limited, the ultimate holding company of the Company, which is applicable to all subsidiaries of Thermax Limited.

Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five year from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Secretarial Audit

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ladda Bhutada & Associates, Company Secretaries, Pune, to undertake the secretarial audit of the Company for FY 2024-25. The Secretarial Audit Report for FY 2024-25 is attached as Annexure 2 to this Report.

Internal Audit

The Board has appointed Mr. Satish Jayaram, Chartered Accountant as the Internal auditor of the Company.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

The State notified several draft regulations in the year (grant of connectivity, green open access, wind re-powering/refurbishment etc) with positive impacts/opportunities for business, supporting the captive open access market. The demand for captive open access in the state continues to be robust.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
First Energy 5 Private Limited

Ravi Damaraju	**Sumit Rathi**
Director	Director
DIN - 09554649	DIN: 07727272

Pune, 29th April, 2025

First Energy 5 Private Limited

Annexure 1

Policy on Selection and Appointment of Directors and Remuneration of Directors, KMPs and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Non-Executive Directors (NEDs), based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict-of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration :

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD, WTD & CEO:

i. At the time of appointment or re-appointment, the Managing Director (MD), Whole Time Director (WTD) and Chief Executive Officer (CEO) shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the MD, WTD and CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD, WTD and CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD, WTD and CEO, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/ employees and KMPs shall ensure the following:

(i) The remuneration is divided into Fixed component & Variable Component.

(ii) The division is based on the fixed salary and performance bonuses.

(iii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

Based on the Annual Business Plan prepared, Individual Contribution Plan (ICP) is prepared by the Senior Management which is agreed upon. It broadly contains certain targets for strategic objectives, operational excellence-oriented initiatives, and business deliverables. The actual performance of individual repartee will be discussed by the MD and CEO at the year's end. Based on the appraisal and overall performance of the Company and after considering the market trends, suitable increments/ variable pay shall be decided by the MD and CEO.

The MD & CEO will present a snapshot of the evaluation carried out to assess the performance of the Whole-time Director, while recommending the annual increment of the NRC, for its review and approval.

Annexure 2

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

FIRST ENERGY 5 PRIVATE LIMITED

Regd. Office Address: 6th Floor, Office No. 601 Cello Platina, F. C. Road, Shivajinagar, Pune - 411005, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. First Energy 5 Private Limited** bearing **CIN: U40200PN2022PTC216938** (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Report on Secretarial Records and Compliances made thereunder

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representation made by the Management we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed on a test basis and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956, (SCRA) and the rules made thereunder; **Not applicable;**

iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, and the Regulations and Bye-laws framed thereunder; **Not applicable;**

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; **Not applicable;**

v. The Company is not listed on any Stock Exchange in India hence the Acts, Regulations, Guidelines etc., related to SEBI were **not applicable** to the Company:

vi. As per the management representation, no other laws applicable except mentioned below specifically to the Company during the audit period:

(a) (a) The Indian Contract Act, 1872

(b) The Income Tax, 1961

(c) The Goods and Service Tax Act, 2017

(d) The Electricity Act, 2003

(e) The Indian Stamp Act, 1899 and The Maharashtra Stamp Act, 1958

(f) The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 and The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules, 2018.

(g) The Factories Act, 1948 and other allied State wise Factories Rules wherever the sites are located.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards as issued and notified by The Institute of Company Secretaries of India relating to Board Meetings and General Meetings: During the Year ended 31st March, 2025, the Company has complied with the applicable clauses of Secretarial Standard (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible.

(ii) The Listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015; **Not applicable**

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company has been duly constituted with proper balance of Non-Executive and Independent Directors, the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

1.1. Mr. Sumit Prafulla Rathi (DIN: 07727272) appointed as an Additional Director on the Board w.e.f. April 3, 2024 and further regularized as Director in second annual general meeting w.e.f. June 23, 2024.

1.2. Mr. Mitish Manoharlal Somani (DIN: 01853530) who was appointed as Director has been resigned from the post of Director w.e.f. April 5, 2024.

1.3. Ms. Swara Omkar Kharadkar (ICSI Membership No: ACS69439) appointed as a Whole-time Company Secretary w.e.f. May 2, 2024.

1.4. Re-appointment of Mr. Ravi Damaraju (DIN: 09554649) who was eligible to retire by rotation has been re- appointed as a director of the company.

1.5. Mr. Chandrasekar Sureshnathan (DIN: 08180321) who was appointed as Chief Executive Officer (CEO) on December 13, 2023, has been resigned from the post of CEO w.e.f. June 19, 2024.

1.6. Mr. Ashok Keshav Joshi (DIN: 02296952) appointed as Additional Independent Director w.e.f. July 26, 2024.

1.7. Mr. Sanjay Dinkar Parande (DIN: 07161299) appointed as Additional Independent Director w.e.f. July 26, 2024.

1.8. Mr. Vinayak Vyanktesh Deshpande (PAN: AFAPD0344M) appointed as the Chief Executive Officer and Key Managerial Personnel (KMP) of the Company on the recommendation of Nomination and Remuneration Committee w.e.f. January 24, 2025 by the board.

2. Adequate notice(s) have been given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and, in case of shorter notice, compliance as required under the Act has been made

by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. All the decisions in the board meetings were carried through by majority while there were no dissenting member's views and hence not captured and recorded as part of the minutes.

We further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following events /actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

i. In accordance with the provisions of the Companies Act, 2013, the Company increased its authorized paid-up share capital to ₹ 95,00,00,000/- (Rupees Nine-Five Crores only) on March 24, 2023. Further the company increased its paid-up share capital thrice, by ₹ 69,50,00,000/- on June 30, 2023, ₹ 60,00,000/- on September 30, 2023 and ₹ 24,87,43,200/- on January 16, 2024 respectively. However, the Company appointed Ms. Swara Omkar Kharadkar (ACS 69439) as the Whole-Time Company Secretary (CS) and Key Managerial Personnel (KMP), effective from May 02, 2024.

ii. According to Sub-section 4 of Section 203 of the Companies Act, 2013 and relevant rules, if the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of six months from the date of such vacancy. The existing Chief Executive Officer (CEO) of the company resigned w.e.f. July 19, 2024, However, the Company appointed Mr. Vinayak Vyanktesh Deshpande (PAN: AFAPD0344M) on January 24, 2025.

iii. The Company has approached its Holding Company for availing fund / non-fund based limits upto ₹ 27,59,00,000/- (Rupees Twenty-Seven Crores and Fifty-Nine Lakhs only) under the total limit approved by Board of Directors.

iv. The Board has constituted the Audit Committee and Nomination and Remuneration Committee on July 26, 2024 and both the Committees have met two (2) times and one (1) time respectively.

v. The Company has adopted the Whistle Blower Policy/ Vigil Mechanism of ultimate holding company "Thermax Limited", in the Board Meeting held on July 26, 2024.

vi. In line with the provisions of Companies Act, 2013, the Company has appointed M/s. Ladda Bhutada & Associates, Company Secretaries Firm as Secretarial Auditor and Mr. Satish Jayaram, Chartered Accountant as an Internal Auditor of the Company in the Board Meeting held on July 26, 2024.

For Ladda Bhutada & Associates,
Company Secretaries,
ICSI Unique Code: P2009MH019500
Peer Review Cert. No.: 3288/2023

CS Pramodkumar R. Ladda
Partner
FCS: 7326; COP No.: 8006
ICSI UDIN:F007326G000204831

Date: 25 April, 2025

Place: Pune, Bharat

Note: This report is to be read with Annexure A, which forms an integral part of this report.

Annexure-A'

To the Secretarial Audit Report

For the financial year ended 31st March, 2025

To,
The Members,
FIRST ENERGY 5 PRIVATE LIMITED
Regd. Office Address: 6th Floor, Office No. 601 Cello Platina,
F. C. Road, Shivajinagar, Pune - 411005, Maharashtra, India.

Our Secretarial Audit report for the financial year ending 31st March, 2025, of even date is to be read along with this letter.

A. Management's Responsibility

It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

B. Auditor's Responsibility

1. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.

2. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

3. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

4. We have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

C. Disclaimer

1. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

2. The Secretarial Audit report is neither an assurance as to the future liability of the Company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For Ladda Bhutada & Associates,
Company Secretaries,
ICSI Unique Code: P2009MH019500
Peer Review Cert. No.: 3288/2023

CS Pramodkumar R. Ladda
Partner
FCS: 7326; COP No.: 8006
ICSI UDIN:F007326G000204831

Date: 25 April, 2025

Place: Pune, Bharat

First Energy 5 Private Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy 5 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 5 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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

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

13. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 30(viii) to the financial statements, 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, as disclosed in the Note 30(viii) to the financial statements, 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; and

            (c) Based on such audit procedures that we 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 or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJA1458
Place: Pune
Date: May 07, 2025

First Energy 5 Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy 5 Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 5 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJA1458
Place: Pune
Date: May 07, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of First Energy 5 Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in 7 mutual funds during the year.

The Company has not granted any secured/ unsecured loans/ advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3 (iii), (iii)(a), (iii)(b), 3(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made and security provided are not prejudicial to the Company's interest.

iv. In our opinion, the Company has complied with the provisions of Sections 185 of the Companies Act, 2013 in respect of the security provided by it. The Company has not granted any loans or made any investments or provided any guarantees to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the Company has utilized the money obtained by way of term loans during the year for the purposes for which they were obtained, except for the following cases:

Nature of the fund raised	Name of the lender	Amount diverted (Rs in lakhs)	Purpose for which amount was sanctioned	Purpose for which amount was utilised	Remarks
Domestic Term Loan	Central Bank of India	2,979.85	To install 39 MW Wind Power Plant	To invest in mutual funds	Pending utilisation of the term loan for the stated purpose, the funds were temporarily used for the purpose other than for which the loan was sanctioned but were ultimately utilised for the stated end-use.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has utilised funds raised on short-term basis aggregating Rs 2,100.51 lakhs for long-term purposes.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out in a phased manner. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has incurred cash losses of Rs. 112.84 lakhs in the financial year and of Rs. 28.08 lakhs in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJA1458
Place: Pune
Date: May 07, 2025

Balance Sheet as at 31.03.2025

(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	27,599.29	49.87
Capital work-in-progress	3	12,811.25	19,946.13
Deferred tax assets (net)	4	-	-
Income tax assets (net)	5	22.57	2.40
Other non-current assets	6(a)	578.09	3,304.78
Total Non-current assets		**41,011.20**	**23,303.18**
Current assets			
Financial assets			
(a) Investments	7	-	24.25
(b) Trade receivables	8	46.92	-
(c) Cash and cash equivalents	9	936.98	85.20
(d) Other financial assets	10	277.67	1,342.05
Other current assets	6(b)	17.35	-
Total Current assets		**1,278.92**	**1,451.50**
Total Assets		**42,290.12**	**24,754.68**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	9,498.43	9,498.43
Other equity	12	(260.21)	(150.29)
Total equity		**9,238.22**	**9,348.14**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	13(a)	29,402.97	-
		29,402.97	**-**
Current liabilities			
Financial liabilities			
(a) Borrowings	13(b)	1,871.35	14,769.41
(b) Trade payables	14		
i) total outstanding dues of micro and small enterprises		1.08	5.47
ii) total outstanding dues of creditors other than micro and small enterprises		6.31	31.81
(c) Other financial liabilities	15	1,753.96	528.52
Other current liabilities	16	16.23	71.33
Total current liabilities		**3,648.93**	**15,406.54**
Total equity and liabilities		**42,290.12**	**24,754.68**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Other income	17	5.97	13.57
Total income		**5.97**	**13.57**
Expenses			
Finance costs	18	-	0.33
Depreciation and amortisation expense	19	3.05	-
Other expenses	20	112.84	40.65
Total expenses		**115.89**	**40.98**
Loss before tax		(109.92)	(27.41)
Tax expense		**-**	**0.67**
Current tax	4	-	0.67
Deferred tax		-	-
Loss for the year		**(109.92)**	**(28.08)**
Other comprehensive income		-	-
Total comprehensive income for the year		**(109.92)**	**(28.08)**
Loss per equity share			
Basic & Diluted (In Rs) (nominal value per share Rs 10)	21	**(0.12)**	**(0.04)**

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No. 109846

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 5 Private Limited

Ravi Damaraju
Director
DIN : 09554649

Sumit Rathi
Director
DIN : 07727272

Vinayak Deshpande
Chief Executive Officer

Sanjay Purohit
Chief Financial Officer

Swara Kharadkar
Company Secretary

Place: Pune
Date: April 29, 2025

First Energy 5 Private Limited

Statement of Cash flows for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Cash flows used in operating activities**		
	Loss before tax	(109.92)	(27.41)
	Depreciation expenses	3.05	
	Finance costs	-	0.33
	Provisions no longer required reversed	(5.97)	
	Interest income from financial assets at amortised cost	-	(13.57)
	Working capital adjustments		
	Increase/(decrease) in trade payables	(29.89)	6.41
	Increase in other financial liabilities	99.87	0.17
	(Decrease) in other liabilities	(49.13)	(72.25)
	(Increase)/ Decrease in other financial assets	1,064.85	(1,342.05)
	(Increase) in Other Asset	(17.35)	-
	(Increase) in Trade receivables	(46.92)	-
	Cash generated from/(used in) operations	**908.59**	**(1,448.37)**
	Income taxes paid	(20.17)	(3.07)
	Net cash flows generated/(used in) operations	**888.42**	**(1,451.44)**
B)	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(14,119.97)	(20,114.61)
	Payments for purchase of current investments	(2,979.85)	(1,564.72)
	Proceeds from sale of current investments	3,024.20	1,540.47
	Interest income received	12.31	13.57
	Net cash used in investing activities	**(14,063.31)**	**(20,125.29)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	33,411.85	18,719.20
	Repayment of borrowings	(16,779.41)	(6,559.79)
	Proceeds from issue of equity shares	-	9,497.43
	Transaction cost for availing borrowings	(120.98)	-
	Borrowing cost paid (Capitalised)	(2,484.79)	(142.92)
	Net cash flows generated from financing activities	**14,026.67**	**21,513.92**
	Net increase/(decrease) in cash and cash equivalents	**851.78**	**(62.81)**
	Cash and cash equivalents at the beginning of the financial year	85.20	148.01
	Cash and cash equivalents at the end of the financial year	**936.98**	**85.20**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2024	March 31, 2023
Cash and cash equivalents (refer note 9)	936.98	85.20
Balances as per cash flow statement	**936.98**	**85.20**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer Note 13 for Net debt reconciliation.

The above Statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No. 109846

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 5 Private Limited

Ravi Damaraju
Director
DIN : 09554649

Sumit Rathi
Director
DIN : 07727272

Vinayak Deshpande
Chief Executive Officer

Sanjay Purohit
Chief Financial Officer

Swara Kharadkar
Company Secretary

Place: Pune
Date: April 29, 2025

Statement of changes in equity for the year ended March 31, 2025
(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at March 31, 2023	**1.00**
Issue during the year	9,497.43
As at March 31, 2024	**9,498.43**
Issue during the year	-
As at March 31, 2025	**9,498.43**

B Other Equity

Particulars	Retained Earnings	Total
As at March 31, 2023	(122.21)	(122.21)
Loss for the period	(28.08)	(28.08)
Other comprehensive income	-	-
Total comprehensive income for the year	**(28.08)**	**(28.08)**
As at March 31, 2024	**(150.29)**	**(150.29)**
Loss for the year	(109.92)	(109.92)
Other comprehensive income	-	-
Total comprehensive income for the year	**(109.92)**	**(109.92)**
As at March 31, 2025	**(260.21)**	**(260.21)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No. 109846

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 5 Private Limited

Ravi Damaraju
Director
DIN : 09554649

Sumit Rathi
Director
DIN : 07727272

Vinayak Deshpande
Chief Executive Officer

Sanjay Purohit
Chief Financial Officer

Swara Kharadkar
Company Secretary

Place: Pune
Date: April 29, 2025

First Energy 5 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy 5 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on December 13, 2022 under the provisions of Indian Companies Act, 2013 is a subsidiary of First Energy Private Limited. The Company is primarily engaged in business of producing wind power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 29, 2025. The CIN of the Company is U40200PN2022PTC216938.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in Statement of Cash Flows.

b. Property, plant and equipment (PPE)

All items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30
Roads	3	3

2.3. Summary of other accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss..

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss. There are currently no debt securities which are carried at FVTPL.

iv. Equity investments

All equity investments in scope of Ind AS 109 - "Financial Instruments", are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Currently, for all equity instruments, subsequent changes in the fair value is recognized in Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

c. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Property, plant and equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

e. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the

rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

f. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

g. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

h. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

i. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

k. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

l. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

m. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

n. Rounding of amounts:

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

2.5. Significant accounting judgments, 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 revenue, expenses, assets and liabilities, and the accompanying disclosures including contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The 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 also described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions 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.

Judgments and assumptions

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

a. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

b. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

c. Deferred taxes

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

3 (a) Property, Plant and Equipment

Particulars	Land Freehold	Plant and Machinery	Roads	Total	Capital work-in-progress
Gross carrying amount:					
As at March 31, 2023	**-**	**-**	**-**	**-**	**23.19**
Additions	49.87	-	-	49.87	19,922.94
Deductions	-	-	-	-	-
As at March 31, 2024	**49.87**	**-**	**-**	**49.87**	**19,946.13**
Additions	130.22	27,166.45	255.80	27,552.47	20,287.37
Deductions/ Transfer	-	-	-	-	(27,422.25)
As at March 31, 2025	**180.09**	**27,166.45**	**255.80**	**27,602.34**	**12,811.25**
Accumulated depreciation					
As at March 31, 2023	**-**	**-**	**-**	**-**	**-**
For the year	-	-	-	-	-
Deductions	-	-	-	-	-
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**
For the year	-	2.83	0.22	3.05	-
Deductions	-	-	-	-	-
As at March 31, 2025	**-**	**2.83**	**0.22**	**3.05**	**-**
Net carrying amount:					
As at March 31, 2025	**180.09**	**27,163.62**	**255.58**	**27,599.29**	**12,811.25**
As at March 31, 2024	**49.87**	**-**	**-**	**49.87**	**19,946.13**

Note : Includes assets worth Rs. 395 Lakh pledged as security for loans obtained by First Energy 6 Private Limited.

i) See note 13 for information on property, plant and equipment pledged as security by the Company.

iii) Capital work-in-progress mainly comprises construction of wind plant.

Ageing of capital work-in-progress

Particulars/Projects	As at March 31, 2025				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress					
(i) Renewable energy project 39 MW	12,811.25	-	-	-	12,811.25
Total	**12,811.25**	**-**	**-**	**-**	**12,811.25**

Capital work-in-progress includes overdue project amonting to Rs 12,811.25 Lakhs (March 31, 2024 Rs 19,946.13 Lakhs). Project is expected to be completed and capitalised in June 25.

Particulars/Projects	As at March 31, 2024				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress					
(i) Renewable energy project 39 MW	19,922.94	23.19	-	-	19,946.13
Total	**19,922.94**	**23.19**	**-**	**-**	**19,946.13**

Capitalization of expenses

During the period, the Company has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

First Energy 5 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Reimbursement of salaries and wages	-	311.45
Interest expenses	2,413.02	414.63
Depreciation	-	23.29
Reimbursement of other expense	-	9.14
Total	**2,413.02**	**758.51**

4. Deferred tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
Losses available for offsetting future taxable income	1,344.18	7.72
Others	25.17	5.92
Total	**1,369.35**	**13.64**
Less: Deferred Tax Liabilities		
Property, plant and equipment	1,337.47	13.64
Ind AS impact on borrowings	31.88	
Total	**1,369.35**	**13.64**
Net Deferred Tax Assets	**-**	**-**

4. The Company has tax losses of Rs 99.43 lakhs (March 31, 2024: Rs 28.00 lakhs) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profit elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs 25.02 lakhs (March 31, 2024: Rs 7.05 lakhs).

Particulars	Expiry date (Year Ending March 31)	As at March 31, 2025		As at March 31, 2024	
		Amount	Tax Impact	Amount	Tax Impact
Tax losses	2030-31	-	-	28.00	7.05
Unabsorbed depreciation	Not Applicable	99.43	25.02	-	-
		99.43	**25.02**	**28.00**	**7.05**

The income tax expense consists of following:

Particulars	As at March 31, 2025	As at March 31, 2024
Current tax expense	-	
Deferred tax benefit / (charge)	-	-
	-	**-**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	Year Ended March 31, 2025	As at March 31, 2024
Loss before tax	(109.92)	(27.41)
Income tax rate	25.16%	25.16%
Expected tax expense/(credit)	(27.66)	(6.90)
Losses on which deferred tax asset has not been recognised	25.02	7.05
Others	2.64	(0.15)
Total tax expense	**-**	**-**

5. Income Tax Assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening Balance	2.40	-
Add: Taxes paid during the year	20.17	3.07
Less: Current tax payable for the year	-	0.67
Total	**22.57**	**2.40**

6(a). Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	578.09	3,304.78
Total	**578.09**	**3,304.78**

6(b) Other Current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	17.09	-
Others	0.26	-
Total	**17.35**	**-**

7. Current Investments

Particulars	Number of units		Amount	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investments at Fair value through Profit and Loss				
Investments in Mutual Funds :				
HSBC Liquid Fund Growth - Regular	-	393.52	-	9.39
HDFC Mutual Fund Growth - Regular	-	316.37	-	14.86
Aggregate amount of quoted investments and market value thereof	-	-	-	-
Aggregate amount of unquoted investments	-	-	-	24.25
Aggregate amount of impairment in the value of investments	-	-	-	-

8. Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
Unbilled*	6.29	-
Billed	40.63	-
	46.92	
Break-up for security details:		
Trade receivables considered good - Unsecured	46.92	-
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables credit impaired	-	-
	46.92	**-**
Less: Impairment allowance	**-**	**-**
Total	**46.92**	**-**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

No trade or other receivables are due from directors or officers of the Company either severally or jointly with any other person nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivables are unbilled because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade receivables ageing:

As at March 31, 2025

Particulars/Projects	Unbilled	Not due	Outstanding for the following period from due date of payments			Total
			Less than 6 months	6 months-1 year	1-2 years	
Undisputed Trade Receivables-considered good	6.29	40.63	-	-	-	46.92
Total	**6.29**	**40.63**	**-**	**-**	**-**	**46.92**

9. Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with banks		
-in current accounts	336.98	15.20
-deposits with original maturity of less than three months	600.00	70.00
Total	**936.98**	**85.20**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior periods.

10. Other financial assets (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	277.20	277.20
Other receivables	-	1,064.85
Interest accrued but not due	0.47	-
Total	**277.67**	**1,342.05**

11. Equity Share capital

a. Authorised share capital

Particulars	No. of shares	Amount ₹ in Lakhs
As at March 31, 2023	**95,000,000**	**9,500**
Increase during the year	-	-
As at March 31, 2024	**95,000,000**	**9500**
Increase during the year	-	-
As at March 31, 2025	**95,000,000**	**9,500**

b. Issued, Subscribed and Paid up Share Capital

Particulars	No. of shares	
Equity share of Rs 10 each issued, subscribed and fully paid		
As at March 31, 2023	**10,000**	**1.00**
Changes during the year	94,974,330	9,497.43
As at March 31, 2024	**94,984,330**	**9,498.43**
Changes during the year	-	-
As at March 31, 2025	**94,984,330**	**9,498.43**

c. Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuring Annual General Meeting except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d. Equity shares held by holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Private Limited (including 6 shares held by nominee shareholders)	70,110,000	7,011.00	70,110,000	7,011.00
Equity shares of Rs 10 each				

e. Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited		
% Holding	73.81%	73.81%
No. of shares	70,110,000	70,110,000
(ii) Sundram Fasteners Limited		
% Holding	8.19%	8.19%
No. of shares	7,774,500	7,774,500
(iii) MRF Ltd		
% Holding	11.95%	11.95%
No. of shares	11,346,720	11,346,720

f. Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited	70,110,000	73.81%	70,110,000	73.81%	0.00%

g. Aggregate number of shares issued for consideration other than cash :

There are no shares issued for consideration other than cash or by way of bonus shares during the current or previous year.

12 Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	(150.29)	(122.21)
Add : Loss for the year	**(109.92)**	**(28.08)**
Total	**(260.21)**	**(150.29)**

First Energy 5 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

13(a). Borrowings (non-current)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans from Bank		
Indian rupee loans from bank*	29,672.47	-
Less: Current maturities of long-term debts(included in current borrowings)	269.50	-
Total	**29,402.97**	**-**
* After considering unamortised expense of Rs. 127.53 lakhs.		
Aggregate secured borrowings	29,402.97	-
Aggregate unsecured borrowings	-	-

Details of Security

Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, intangible assets including goodwill and uncalled capital, intellectual property, both present and future, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of shares of the Company, held by the Holding Company.

Particulars	Maturity date	Terms of payment	Interest rate	As at March 31, 2025	As at March 31, 2024
Loan from Central Bank Of India	March 31, 2045	Repayable in 77 structured quarterly installments from March 31, 2026	9.0% (1 Year MCLR + applicable spread)	29,672.47	-

13(b). Borrowings (current)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of non-current borrowings	269.50	-
Unsecured loans		
Loan from holding Company	1,601.85	14,769.41
Total	**1,871.35**	**14,769.41**
Aggregate secured borrowings	269.50	-
Aggregate unsecured borrowings	1,601.85	14,769.41

Loans are measured at amortised cost.

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from holding company	September 27, 2025	Repayment in one or multiple tranches within one year	8.65%	1,601.85	-
Loan from holding company	March 31, 2025	Repayment in one or multiple tranches within one year	8.15%	-	14769.41

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	936.98	85.20
Borrowings	(31,274.32)	(14,769.41)
Interest accrued	(228.10)	(299.87)
Net debt	**(30,565.44)**	**(14,984.08)**

Particulars	Other assets	Liabilities from financing activities	Total
	Cash & cash equivalents	Borrowings including accrued interest	
Net debt as at March 31, 2023	**148.01**	**(2,624.77)**	**(2,476.76)**
Cash flows	(62.81)	(12,159.41)	(12,222.22)
Interest expenses (Capitalised)	-	(427.69)	(427.69)
Interest paid	-	142.59	142.59
Net debt as at March 31, 2024	**85.20**	**(15,069.28)**	**(14,984.08)**
Cash flows	851.78	(16,511.46)	(15,659.68)
Interest expenses (Capitalised)	-	(2,406.47)	(2,406.47)
Interest paid	-	2,484.79	2,484.79
Net debt as at March 31, 2025	**936.98**	**(31,502.42)**	**(30,565.44)**

During the year and previous year, the Company has used the borrowings for the specific purpose for which they have been obtained.

14. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises (Refer note 29)	1.08	5.47
Total outstanding dues of creditors other than micro and small enterprises		
i) Related parties (Refer note 23)	0.05	23.15
ii) Others	6.26	8.66
Total	**7.39**	**37.28**

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payable							
(i) Micro and Small enterprises	1.04	-	-	-	0.04	-	1.08
(ii) Others	3.01	0.89	1.87	0.54	-	-	6.31
Total	**4.05**	**0.89**	**1.87**	**0.54**	**0.04**	**-**	**7.39**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payable							
(i) Micro and small enterprises	5.27	0.16	0.04	-	-	-	5.47
(ii) Others	11.75	-	20.06	-	-	-	31.81
Total	**17.02**	**0.16**	**20.10**	**-**	**-**	**-**	**37.28**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

15. Other current financial liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipments	1,425.51	228.17
Interest accrued but not due on loan	228.10	299.87
Others	100.35	0.48
Total	**1,753.96**	**528.52**

16. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	16.23	65.36
Others	-	5.97
Total	**16.23**	**71.33**

17. Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from financial assets at amortised cost	-	13.57
Amounts no longer required written back	5.97	-
Total	**5.97**	**13.57**

18. Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost		
-bank	2,347.67	-
-holding company	65.35	427.69
other finance cost	-	0.33
Less: Capitalized during the year	(2,413.02)	(427.69)
Total	**-**	**0.33**

Since the borrowing were specifically for the purpose of obtaining and construction of qualifying assets, borrowing cost has been capitalised at actual.

19. Depreciation expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	3.05	-
Total	**3.05**	**-**

20. Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rates and taxes	1.22	6.02
Legal and professional fees	6.54	9.13
Directors sitting fees	1.65	-
Auditor's remuneration (refer note below)	2.95	2.95
Corporate overhead allocation	-	20.67
Miscellaneous expenses	100.48	1.88
Total	**112.84**	**40.65**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current year and previous period.

Note: Auditor's remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory audit fees (Including GST)	2.95	2.95
Total	**2.95**	**2.95**

21. Loss per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net loss attributable to the equity shareholders of the Company	(109.92)	(28.08)
Weighted average number of equity shares of Rs.10/- each	9,49,84,330	7,36,69,858
Basic and Diluted loss per share (in Rs)	**(0.12)**	**(0.04)**

22. Contingent liabilities and commitments

Contingent liabilities

There are no liabilities of contingent nature.

Capital commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 1,108.63 Lakhs (March 31, 2024 Rs 14,451 Lakhs)

23. Related party disclosures

A Immediate holding company

First Energy Private Limited

B Ultimate holding company

RDA Holding Private Limited

C Intermediate holding company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Key Management Personnel:

1 Mr. Ravi Damaraju - Director

2 Mr. Sandeep Deshpande - Director

3 Mr. Sumit Rathi - Director (w.e.f. April 3, 2024)

4 Mr. Sanjay Purohit- Chief Financial Officer (w.e.f. December 13, 2023)

5 Mr. Ashok Joshi- Independent and additional director (w.e.f. July 26, 2024)

6 Mr. Sanjay Parande- Independent and additional director (w.e.f. July 26, 2024)

7 Ms. Swara Kharadkar - Company Secretary (w.e.f. May 02, 2024)

8 Mr. Vinayak Deshpande- Chief Executive Officer (w.e.f. January 24, 2025)

E Entities under common control with whom there have been transactions during the year

First Energy 6 Private Limited

F Transactions with Related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
With holding company		
First Energy Private Limited		
Subscription for equity shares by holding company	-	7,010.00
Interest expenses (capitalised)	65.35	427.69
Loan taken	3,611.85	18,719.20
Loan repaid	16,779.41	6,559.79
EPC PM services availed	558.00	-
Reimbursement of expenses paid(inclusive of reimbursement of capital expenditure)	11.85	468.52
Entities under common control		
First Energy 6 Private Limited		
Reimbursement of expenses received	1.21	395.00
Reimbursement of expenses paid	-	0.13
First Energy 4 Private Limited		
Reimbursement of expenses received	-	669.80
Reimbursement of expenses paid	-	4.39
Key management personnel compensation		
Short term employee benefits (Director sitting fees)	1.65	-

G Outstanding balances

Particulars	As at March 31, 2025	As at March 31, 2024
Holding company		
Borrowings	1,601.85	14,769.41
Interest accrued but not due on loan	0.31	299.87
Payable for property plant and equipments	401.69	94.12
Trade payables	0.05	18.62
Entities under common control		
First Energy 4 Private Limited		
Other receivables	-	669.80
Other payable	-	4.39
First Energy 6 Private Limited		
Other receivables	-	395.00
Trade payables	-	0.13

H Terms and conditions for outstanding balances

All outstanding balances are unsecured, interest free and payable in cash except for borrowings. For details of interest on borrowings, refer note 13. The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

24. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	31,274.32	14,769.41
Trade payables	7.39	37.28
Other financial liabilities	1,753.96	528.52
Total	**33,035.67**	**15,335.21**
Current liabilities	3,632.70	15,335.21
Non-current liabilities	29,402.97	-
Total	**33,035.67**	**15,335.21**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	46.92	-
Cash and cash equivalents	936.98	85.20
Other financial assets	277.67	1,342.05
Total	**1,261.57**	**1,427.25**
Current assets	1,261.57	1,427.25
Non-current assets	-	-
Total	**1,261.57**	**1,427.25**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assets		
Investments		
Mutual funds	-	24.25
Total financial assets (Current)	**-**	**24.25**

Fair value of market linked mutual funds was determined using Net Assets Value (NAV) report issued by mutual fund house.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets.

Quantitative disclosures fair value measurement hierarchy for assets.

As at March 31,2024

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial Assets				
Investments				
Mutual funds	March 31, 2024	-	24.25	-

Level I: level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

25 Financial risk management

The Company's principal financial liabilities, comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include trade receivables, security deposits and cash and cash equivalents. The Company also held investments measured at fair value through profit and loss account.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The management of the company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the Company reviews and agrees policies

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows :

Particulars	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings	29,672.47	-

Interest rate sensitivity

Impact due to sensitivity of interest rate is not calculated, because the Companies loss before tax is not affected through the impact on variable rate borrowings, as borrowing is towords acquring a qualifying assets and the interest is capitalised according to IND AS 23.

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the period and hence not exposed to any foreign currency risk.

c Price risk

The Company's investments are susceptible to market risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Company manages the price risk through placing limits on individual and total equity/ mutual fund investments. Reports on the investment portfolio are submitted to the management on a regular basis. The Company is not currently exposed significantly to such risks.

II 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, security deposits) and from its investing activities, including deposits with banks and other financial assets.

Expected credit loss for

Balances with banks:

Credit risk from balances with banks is managed by Parent Company's finance department in accordance with the Company's policy. Investment of surplus funds are made only approved counterparties to mitigate financial loss through counterparty's potential failure to make payments.

Other financial assets carried at amortised cost

Company's exposure to other financial assets include security deposits which is consider to be low risk. No loss allowance is required to be recognised for the same.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes above. There is no charge of impairment to Statement of profit and loss.

Trade receivables	As at March 31, 2025		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	6.29	0%	-
Billed	40.63	0%	-
Total	**46.92**		**-**

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	1,871.35	2,261.00	2,170.50	25,099.00
Trade Payables	7.39		-	-
Other financial liabilities	1,753.96	-	-	-

March 31, 2024

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	14,769.41	-	-	-
Trade payables	37.28	-	-	-
Other financial liabilities	528.52	-	-	-

First Energy 5 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

24. Analytical ratios

S. No.	Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current Assets	Current liabilities	0.35	0.09	272%	Due to long term borrowing received from financial institution during the year against short term borrowings in previous year
2	Debt-Equity Ratio	Total Debt	Shareholders' equity	3.39	1.58	114%	Due to long term borrowing received from bank during the year.
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	0.00	Not Applicable	Not Applicable	Not Applicable
4	Return on Equity	Net Profits after taxes	Average shareholder's equity	-1.18%	-0.30%	294%	Due to increase in expenditure and loss during the year.
5	Return on investment	Earning before interest and taxes	Total assets	-0.26%	-0.11%	138%	Due to partial project was capitalised during the year
6	Trade payables turnover Ratio	Net Credit Purchases	Average trade payables	0.55	1.19	-54%	Due to decrease in purchases
7	Return on Capital employed	Earning before interest and taxes	Capital employed	-0.27%	-0.11%	142%	Significant increase in capital employed due to borrowings availed during the current year

Capital employed = Tangible Net worth + total debt

Working Capital = Current assets - Current liabilities

Average = (Opening + Closing)/2

Note:

(i) As there are no sales during the current and previous year, ratios are not calculated wherever sales amounts are to be considered for calculation.

27. Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings and equity. Capital represents equity attributable to equity holders of the Company.

	As at March 31, 2025	As at March 31, 2024
Borrowings including accrued interest	31,502.42	15,069.28
Less: Cash and cash equivalents	936.98	85.20
Net debt	**30,565.44**	**14,984.08**
Equity	**9,238.22**	**9,348.14**
Net Debt to Equity	**3.31**	**1.60**

Decrease in Net debt to equity has significant increased on account of increase in debt for procurement and construction of property, plant and equipment.

Loan Covenants

Under the terms of the borrowing facilities, the Company is required to comply with the following debt covenants:

(a) Debt Service Coverage Ratio (DSCR) to be not less than 1.15 (Applicable from first full year of operation)

(b) Debt equity ratio not more than 3:1

Management has complied with debt covenants as at March 31, 2025.

28. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

29. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount dues to micro and small enterprises	1.08	5.47
- Interest due thereon	0.01	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of principal made to the supplier beyond the appointed day during the year	9.24	16.09
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.23	0.59

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	As at March 31, 2025	As at March 31, 2024
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.24	0.59
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.83	0.59

30. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current period.

(iv) There is no income surrendered or disclosed as income during the current period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact in current year and preivious year.

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

31. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis. The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with regulations.

32. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No. 109846

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 5 Private Limited

Ravi Damaraju
Director
DIN : 09554649

Sumit Rathi
Director
DIN : 07727272

Vinayak Deshpande
Chief Executive Officer

Sanjay Purohit
Chief Financial Officer

Swara Kharadkar
Company Secretary

Place: Pune
Date: April 29, 2025

First Energy 6 Private Limited

Board of Directors
Ravi Damaraju
Sandeep Mandke
Sumit Rathi
Ashok Joshi
Sanjay Parande

Registered Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personnel
Vijay Musalgaonkar - CEO
Ramesh Kharche - CFO
Hrishikesh Yadav - CS

Bankers
ICICI Bank
Bank of Baroda

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure in presenting the Second Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	March 23, 2023, to March 31, 2024
Total income	502.3	2.5
Profit/loss before finance cost, depreciation, and tax	262.3	(78.13)
Finance Cost	528.5	-
Profit/loss before depreciation and tax	(266.3)	(78.13)
Depreciation and impairment	427.5	-
Profit/(Loss) before tax	(693.8)	(78.13)
Provision for taxation (incl. deferred tax)	-	-
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(693.8)	(78.13)

State of Company's Affairs

During the year under review; the Solar capacity of 33.15 MWp / 22.75 MW in the State of Tamil Nadu has been operational since March 2024.

Due to the heavy rainfall and subsequent flooding in the state of Tamil Nadu in December 2024, the operations of the plant were disrupted and then subsequently restored.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

In a view of accumulated losses, the directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves.

During the year, the Company has not transferred any amount to the General Reserve.

Share Capital

During the year under review, there was no change in the share capital of the Company.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors, or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its Solar business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involves risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The major risk identified by the Company is generation loss due to lower radiation, and Grid failures. The Company continuously studies the radiation levels with historical data from reliable sources. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using water cleaning modules at regular frequency

Health and Safety

Across all its operational assets, sites and offices, the company implements policies that covers Health and safety

The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors
- HSE Digitalisation: - HSE digital software implemented for hazard reporting at risk behaviour reporting

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sandeep Mandke (DIN: 09619581) retires by rotation and being eligible offers, himself for re-appointment. The proposal for re-appointment forms part of the Notice of the Second AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Sumit Rathi was appointed as an Additional Director of the Company with effect from April 3, 2024, and his appointment was regularized on July 23, 2024.
- Mr. Krunal Thakarar resigned as a Chief Financial Officer and Key Managerial Personnel with effect from August 30, 2024 and Mr. Ramesh Kharche was appointed as the Chief Financial Officer and Key Managerial Personnel with effect from January 24, 2025.
- Mr. Hrishikesh Yadav was appointed as the Company Secretary and Key Managerial Personnel (KMP) of the Company with effect from May 2, 2024.
- Mr. Ashok Joshi (DIN: 02296952) and Mr. Sanjay Parande (DIN: 07161299) were appointed as independent directors of the Company with effect of July 26, 2024.

Policy on appointment and remuneration of directors and key managerial personnel

The Board has adopted a policy on selection and appointment of Directors and remuneration of Directors, KMPs and employees. The Directors do not receive any remuneration except independent directors who are entitled to sitting fees as approved by the Board for each Board/Committee meeting attended. A detailed policy is annexed herewith as Annexure 1 and forms part of this report.

Declaration by Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added in the data bank maintained by the Indian Institute of Corporate Affairs for independent directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. However, an individual who has fulfilled the criteria prescribed in Rule 6(4) of the said Rules, is exempted from passing the online proficiency self-assessment test. In view of the same, Mr. Sanjay Parande, having met the aforesaid criteria, was exempted from the proficiency self-assessment test and Mr. Ashok Joshi has passed the proficiency self-assessment test.

The Board is of the opinion that the Directors of the Company are eminent persons with integrity and have the necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

Board Meetings

During the year, the Board met four times on May 02, 2024, July 26, 2024, October 29, 2024, and January 24, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Independent directors meeting

During the year under review, the independent directors met once on January 23, 2025 where all independent directors were present inter alia to review the performance of the Board and non-independent directors of the Company.

Committees of the Board

The Board has constituted the following committees viz. Audit Committee and Nomination and Remuneration Committee.

Audit Committee

The Audit Committee of the Board of Directors was constituted on July 26, 2024. The committee comprises of all directors being non-executive directors viz Mr. Sanjay Parande as the Chairman and Mr. Ashok Joshi & Mr. Sandeep Mandke as members of the committee. The committee met twice during the year on October 29, 2024, and January 24, 2025. Further, all the recommendations made by the audit committee were accepted by the Board.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Board of Directors was constituted on July 26, 2024. The committee comprises of all directors being non-executive directors viz Mr. Ashok Joshi as the Chairman and Mr. Sanjay Parande & Mr. Ravi Damaraju as members of the committee. The committee met once on January 24, 2025.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the

First Energy 6 Private Limited

Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of renewable energy and associated Renewable energy generation sources for commercial & industrial customers.

As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning. In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

In the case of Technology absorption, the Company used higher rated (>540Wp) Monoperc PV modules with better efficiency, a structure designed to string type Solar Inverters designed for outdoor installation.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the Company is a subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing a safe and conducive work environment for its employees and has complied with provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013.

There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of a onetime settlement with any Bank or Financial Institution.

Vigil mechanism

The Company has adopted the whistle blower policy of Thermax Limited, the holding company of the Company, which is applicable to all subsidiaries of Thermax Limited.

Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five year from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Changes in the Regulatory Provisions and its impact on the business

During the year, the State notified several draft regulation in the year (grant of connectivity, green open access, wind re-powering/refurbishment etc) with positive impacts/opportunities for business, supporting the captive open access market. The demand for captive open access in the state, continues to be robust.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
First Energy 6 Private Limited

Ravi Damaraju	**Sumit Rathi**
Director	Director
DIN - 09554649	DIN: 07727272

Pune, April 29, 2025

Annexure 1

Policy on Selection and Appointment of Directors and Remuneration of Directors, KMPs and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Non-Executive Directors (NEDs), based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict-of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration :

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD, WTD & CEO:

i. At the time of appointment or re-appointment, the Managing Director (MD), Whole Time Director (WTD) and Chief Executive Officer (CEO) shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the MD, WTD and CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD, WTD and CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD, WTD and CEO, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/ employees and KMPs shall ensure the following:

(i) The remuneration is divided into Fixed component & Variable Component.

(ii) The division is based on the fixed salary and performance bonuses.

(iii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

Based on the Annual Business Plan prepared, Individual Contribution Plan (ICP) is prepared by the Senior Management which is agreed upon. It broadly contains certain targets for strategic objectives, operational excellence-oriented initiatives, and business deliverables. The actual performance of individual repartee will be discussed by the MD and CEO at the year's end. Based on the appraisal and overall performance of the Company and after considering the market trends, suitable increments/ variable pay shall be decided by the MD and CEO.

The MD & CEO will present a snapshot of the evaluation carried out to assess the performance of the Whole-time Director, while recommending the annual increment of the NRC, for its review and approval.

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First Energy 6 Private Limited

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy 6 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 6 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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

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

13. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 33(viii) to the financial statements, 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, as disclosed in the Note 33(viii) to the financial statements, 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; and

            (c) Based on such audit procedures that we 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 or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJB2758
Place: Pune
Date: May 07, 2025

First Energy 6 Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy 6 Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 6 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJB2758
Place: Pune
Date: May 07, 2025

Annexure B to Independent Auditor's Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of First Energy 6 Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in 2 mutual fund schemes during the year.

The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3 (iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 14 to the financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has utilised funds raised on short-term basis aggregating Rs 766.84 lakhs for long-term purposes.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out in a phased manner. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has incurred cash losses of Rs. 292.35 lakhs in the financial year and of Rs. 78.13 lakhs in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJB2758
Place: Pune
Date: May 07, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets			
Property, plant and equipment	3	17,109.40	154.93
Capital work-in-progress	3	-	16,488.20
Deferred tax assets	4	-	-
Income tax assets (net)	5	3.67	0.86
Other non-current assets	6	-	2.81
Total non-current assets		**17,113.07**	**16,646.80**
Current assets			
Financial assets			
(a) Investments	7	-	252.32
(b) Trade receivables	8	162.74	19.57
(c) Cash and cash equivalents	9(a)	32.99	386.08
(d) Bank balance other than (c) above	9(b)	355.48	287.00
(e) Other financial assets	10	157.50	157.59
Other current assets	11	141.40	0.16
Total current assets		**850.11**	**1,102.72**
Total assets		**17,963.18**	**17,749.52**
Equity and Liabilities			
Equity			
Equity share capital	12	4,462.95	4,462.95
Other equity	13	(815.94)	(122.17)
Total equity		**3,647.01**	**4,340.78**
Liabilities			
Non-current liabilities			
Financial liabilities			
(a) Borrowings	14(a)	12,463.91	11,433.76
Total non-current liabilities		**12,463.91**	**11,433.76**
Current liabilities			
Financial liabilities			
(a) Borrowings	14(b)	1,532.53	968.11
(b) Trade payables	15		
i) total outstanding dues of micro enterprises and small enterprises		3.72	0.65
ii) total outstanding dues of creditors other than micro and small enterprises		53.01	54.14
(c) Other financial liabilities	16	260.19	923.57
Other current liabilities	17	2.81	28.51
Total current liabilities		**1,852.26**	**1,974.98**
Total equity and liabilities		**17,963.18**	**17,749.52**

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	18	467.17	-
Other income	19	35.08	2.50
Total Income		**502.25**	**2.50**
Expenses			
Finance costs	20	528.54	-
Depreciation and impairment expense	21	427.51	-
Other expenses	22	239.97	80.63
Total Expenses		**1,196.02**	**80.63**
Loss before tax		**(693.77)**	**(78.13)**
Tax expense		**-**	**-**
Loss for the year/ period		**(693.77)**	**(78.13)**
Other comprehensive income			
Total comprehensive income for the year/ period		**(693.77)**	**(78.13)**
Loss per equity share			
Basic and Diluted (In Rs) (nominal value per share Rs 10)	23	(1.55)	(0.31)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date.

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date attached

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 6 Private Limited

Ravi Damaraju
Director
DIN: 09675574

Sumit Rathi
Director
DIN : 07727272

Vijay Musalgaonkar
Chief Executive Officer

Ramesh Kharche
Chief Financial Officer

Hrishikesh Yadav
Company Secretary

Place: Pune
Date: April 29, 2025

First Energy 6 Private Limited

Statement of changes in equity for the year ended March 31, 2025
(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at March 23, 2023	**-**
Issue during the period	4,462.95
As at March 31, 2024	**4,462.95**
Issue during the year	-
As at March 31, 2025	**4,462.95**

B Other Equity

Particulars	Retained Earnings	Total
As at March 23, 2023	-	-
Loss for the period	(78.13)	(78.13)
Other comprehensive income	-	-
Total Comprehensive income for the period	**(78.13)**	**(78.13)**
Cost related to issue of own equity instruments	(44.04)	(44.04)
As at March 31, 2024	**(122.17)**	**(122.17)**
Loss for the year	(693.77)	(693.77)
Other comprehensive income	-	-
Total comprehensive income for the year	**(693.77)**	**(693.77)**
As at March 31, 2025	**(815.94)**	**(815.94)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 6 Private Limited

Ravi Damaraju
Director
DIN: 09675574

Sumit Rathi
Director
DIN : 07727272

Vijay Musalgaonkar
Chief Executive Officer

Ramesh Kharche
Chief Financial Officer

Hrishikesh Yadav
Company Secretary

Place: Pune
Date: April 29, 2025

Statement of cash flows for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Cash flows used in operating activities**		
	Loss before tax	(693.77)	(78.13)
	Adjustments for		
	Depreciation and impairment expenses	427.51	-
	Provisions no longer required written back	(26.09)	-
	Finance costs	528.54	-
	Interest income from financial assets at amortised cost	(8.38)	(2.50)
	Gain on mutual fund measured at fair value through profit or loss	(0.61)	-
	Working capital adjustments		
	(Increase) in trade receivables	(143.17)	(19.57)
	(Increase) in other financial assets	-	(157.50)
	(Increase) in other assets	(141.24)	(0.16)
	Increase in trade payables	1.95	54.79
	Increase/(Decrease) in other liabilities	0.39	28.51
	Increase/(Decrease) in other financial liabilities	(0.18)	0.19
	Cash generated used in operations	**(55.05)**	**(174.37)**
	Income taxes paid	(2.81)	(0.86)
	Net cash generated used in operating activities	**(57.86)**	**(175.23)**
B)	**Cash flows from investing activities**		
	Payment for property, plant and equipment	(908.68)	(14,950.49)
	(Payment) / redemption of fixed deposits placed with banks (net)	(68.48)	(287.00)
	Investment in mutual funds	(219.92)	(419.00)
	Proceeds from sale of mutual funds	474.79	166.68
	Interest income from financial assets at amortised cost	18.50	2.41
	Net cash flows used in investing activities	**(703.79)**	**(15,487.40)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	2,449.88	22,598.22
	Transaction cost for availing borrowings	(41.80)	(80.14)
	Repayment of borrowings	(813.28)	(10,116.21)
	Proceeds from issue of equity shares	-	4,462.95
	Cost related to issue of own equity instruments	-	(44.04)
	Interest paid (including interest capitalised Rs. 673.26 lakhs, March 31, 2024 Rs. 772.07 lakhs)	(1,186.24)	(772.07)
	Net cash flows from financing activities	**408.56**	**16,048.71**
	Net decrease in cash and cash equivalents	**(353.09)**	**386.08**
	Cash and cash equivalents at the beginning of the year	386.08	-
	Cash and cash equivalents at the end of the year	**32.99**	**386.08**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025	March 31, 2024
Cash and cash equivalents (refer note 9 (a))	32.99	386.08
Balances as per statement of Cash flow	**32.99**	**386.08**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer Note 14(b) for Net debt reconciliation

The above Statement of cash flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 6 Private Limited

Ravi Damaraju
Director
DIN: 09675574

Sumit Rathi
Director
DIN : 07727272

Vijay Musalgaonkar
Chief Executive Officer

Ramesh Kharche
Chief Financial Officer

Hrishikesh Yadav
Company Secretary

Place: Pune
Date: April 29, 2025

First Energy 6 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy 6 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on March 23, 2023 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business of producing solar power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized these financial statements on April 29, 2025. The CIN of the Company is U35105PN2023PTC218888.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when the Company has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

At the end of each reporting period, the Company updates the estimated transaction price to represent the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Company accounts for such changes in the transaction price (including claims). Consideration / claim payable to a customer includes cash amounts that an entity pays to the customer. The Company accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct goods or service that the customer transfers to the entity. The consideration payable to a customer includes a variable amount.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Property, plant and equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30
Furniture and fixtures	10	10
Roads	3	3
Computers	3	3
Office equipment	5	5

Also refer 2.3.c for other accounting policies relating to Property, plant and equipment

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in statement of cash flows.

2.3. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss. There are currently no debt securities which are carried at FVTPL.

iv. Equity investments

All equity investments in scope of Ind AS 109 - "Financial Instruments", are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Currently, for all equity instruments, subsequent changes in the fair value is recognized in Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Property, plant and equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

j. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

k. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

l. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

m. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

ii. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

iii. Revenue recognition

The Company recognises revenue (including the adjustment to transaction price resulting due to customer claims) as per the applicable power purchase agreement, ongoing negotiation with customers, management's probability estimate and the past trends of settlement.

3. Property, plant and equipment (including Capital work-in-progress)

Particulars	Freehold land	Building	Plant and Machinery	Office Equipment	Roads	Furniture	Computer	Total	Capital work-in-progress
Gross carrying amount:									
As at March 23, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	-
Additions	154.93	-	-	-	-	-	-	154.93	16,488.20
Deductions / transfer	-	-	-	-	-	-	-	-	-
As at March 31, 2024	**154.93**	**-**	**-**	**-**	**-**	**-**	**-**	**154.93**	**16,488.20**
Additions	1.21	17,209.37	127.59	3.73	38.23	1.09	0.76	17,381.98	892.57
Deductions / transfer	-	-	-	-	-	-	-	-	17,380.77
As at March 31, 2025	**156.14**	**17,209.37**	**127.59**	**3.73**	**38.23**	**1.09**	**0.76**	**17,536.91**	**-**
Accumulated depreciation and impairment									
As at March 23, 2023	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
For the period	-	-	-	-	-	-	-	-	-
Deduction	-	-	-	-	-	-	-	-	-
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
For the year	-	274.19	8.83	0.29	4.98	0.04	0.10	288.43	-
Impairment loss(Refer note 29)	-	139.08	-	-	-	-	-	139.08	
Deduction	-	-	-	-	-	-	-	-	-
As at March 31, 2025	**-**	**413.27**	**8.83**	**0.29**	**4.98**	**0.04**	**0.10**	**427.51**	**-**
Net carrying amount:									
As at March 31, 2024	**154.93**	**-**	**-**	**-**	**-**	**-**	**-**	**154.93**	**16,488.20**
As at March 31, 2025	**156.14**	**16,796.10**	**118.76**	**3.44**	**33.25**	**1.05**	**0.66**	**17,109.40**	**-**

i) See note 14 for information on property, plant and equipment pledged as security by the Company.

ii) See note 24 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

iii) Refer note 29 for disclosure of impairment expenses during the year.

Ageing of capital work-in-progress

Particulars	As at March 31, 2025				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress					
22.75 MW Solar project	16,488.20	-	-	-	16,488.20
Total	**16,488.20**	**-**	**-**	**-**	**16,488.20**

Capital work in progress balance pertained to overdue project under construction and is capitalised in November 2024.

Capitalization of expenses

During the year, the Company has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes were net of amounts capitalized by the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Reimbursement of salaries and wages	-	272.07
Interest and reimbursement of Interest expenses*	673.26	782.31
Depreciation and reimbursement of depreciation*	-	21.25
Reimbursement of other expenses	-	8.80
Total	**673.26**	**1,084.43**

* Reimbursement of interest and depreciation in previous year included expenses pertaining to rental property for which right-of-use assets and lease liabilities were recognised.

4. Deferred tax assets (net)

The balance comprise of temporary differences attributable to:

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax assets		
Losses available for offsetting against future taxable income	392.82	-
Total	**392.82**	**-**
Deferred tax liabilities		
Depreciation on property, plant and equipment	371.85	-
IND AS impact on borrowings	20.97	
Total	**392.82**	**-**
Deferred tax assets (net)	**-**	**-**

The Company has tax losses including unabsorbed depreciation of Rs. 748.67 lakhs (March 31, 2024: Rs. 43.77 lakhs) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs. 128.54 lakhs (March 31, 2024: Rs. 11.02 lakhs).

Particulars	Expiry date	As at March 31, 2025		As at March 31, 2024	
		Amount	Tax Impact	Amount	Tax Impact
Tax Losses	FY 2031-32	43.77	11.02	43.77	11.02
Unabsorbed depreciation	No Expiry period	704.90	117.52	-	-
Total		**748.67**	**128.54**	**43.77**	**11.02**

Reconciliation of tax expenses and the accounting profit multiplied by tax rate

Particulars	As at March 31, 2025	As at March 31, 2024
Loss before tax	(693.77)	(78.13)
Indian statutory income tax rate	17.17%	17.17%
Expected tax expense / (credit)	(119.11)	(13.41)
Losses on which deferred tax assets have not been recognised	119.11	11.02
Others	-	2.39
Total tax expense	**-**	**-**

5. Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.86	-
Add: Taxes paid during the year/ period	2.81	0.86
Less: Current tax payable for the year/ period	-	-
Total	**3.67**	**0.86**

6. Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	-	2.81
Total	**-**	**2.81**

There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

7. Current investments

Particulars	Number of units		Amount	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investment at fair value through Profit and Loss				
Investments in Mutual Funds:				
ICICI Prudential Overnight Fund Growth - Regular	-	17,084.87	-	219.46
HSBC Liquid Fund Growth - Regular	-	1,376.73	-	32.86
Total current investments	**-**	18,461.60	**-**	**252.32**
Aggregate value of quoted investments and market value thereof			-	
Aggregate value of unquoted investments			-	252.32
Aggregate amount of impairment in the value of investments			-	-

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

8. Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables		
-Unbilled*	147.18	19.57
-Billed	15.56	-
Total	**162.74**	**19.57**
Trade receivables considered good - Unsecured	162.74	19.57
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	162.74	**19.57**
Less: Impairment allowance	-	-
Total	**162.74**	**19.57**

No trade or other receivables are due from directors or officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivables are unbilled because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade receivables as at March 31, 2024 were related to sale of power generated during the testing period which were netted off against cost of property, plant and equipment

Trade receivables ageing:

As at March 31, 2025

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	-	147.18	15.56	-	-	-	-	162.74
Total	**-**	**147.18**	**15.56**	**-**	**-**	**-**	**-**	**162.74**

As at March 31, 2024

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
(i) Undisputed Trade Receivables- considered good	-	19.57	-	-	-	-	-	19.57
Total	**-**	**19.57**	**-**	**-**	**-**	**-**	**-**	**19.57**

9(a) Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with bank		
- In Current accounts	32.99	386.08
Total	**32.99**	**386.08**

9(b) Other bank balances

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity of more than three months but less than twelve months*	355.48	287.00
Total	**355.48**	**287.00**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against Borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to INR 353.77 lakhs.

10. Other financial assets (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	157.50	157.50
Interest accrued but not due*	0.00	0.09
Total	**157.50**	**157.59**

*Below rounding norms adopted by the Company

11. Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	139.43	-
Advance to suppliers	1.09	-
Others	0.88	0.16
Total	**141.40**	**0.16**

12 Share Capital

(a) Authorized share Capital

Particulars	No. of shares	Amount
As at March 23, 2023	**-**	**-**
Increase during the period	45,000,000	4,500.00
As at March 31, 2024	**45,000,000**	**4,500.00**
Increase during the year	-	-
As at March 31, 2025	**45,000,000**	**4,500.00**

b) Issued, Subscribed and paid up equity share capital

Particulars	No. of shares	Amount
As at March 23, 2023	-	**-**
Changes during the period	44,629,450	4,462.95
As at March 31, 2024	**44,629,450**	**4,462.95**
Changes during the year	-	-
As at March 31, 2025	**44,629,450**	**4,462.95**

c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs.10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Equity shares held by holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Private Limited, India (including 6 shares held by nominee shareholders)	33,010,000	3,301.00	33,010,000	3,301.00
Equity shares of Rs 10 each				

e) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited		
% Holding	73.96%	73.96%
No. of shares	33,010,000	33,010,000
(ii) MRF Limited		
% Holding	11.57%	11.57%
No. of shares	5,165,450	5,165,450
(iii)The Lakshmi Mills Company Limited		
% Holding	7.06%	7.06%
No. of shares	3,150,000	3,150,000

f) Shares held by promoters at the end of the year/ period

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited	33,010,000	73.96%	33,010,000	73.96%	0.00%

(g) Aggregate number of shares issued for consideration other than cash :

There are no shares issued for consideration other than cash or by way of bonus shares during the current year or previous period.

13. Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	(122.17)	-
Add: Loss for the year/ period	(693.77)	(78.13)
	(815.94)	**(78.13)**
Cost related to issue of own equity instruments	-	(44.04)
Total	**(815.94)**	**(122.17)**

14(a). Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans from Bank		
Indian rupee loans from banks*	12,699.22	11,578.87
Less: Current maturities of long-term debt (included in current borrowings)	235.31	145.11
Total	**12,463.91**	**11,433.76**

* After considering unamortised transaction cost of Rs. 122.16 Lakhs (March 31, 2024: Rs.84.14 lakhs)

Aggregate secured borrowings	12,463.91	11,433.76
Aggregate unsecured borrowings	-	-

(a) Loans are measured at amortised cost.

Particulars	Date of maturity	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Indian rupee loan from bank	March 31, 2044	Repayable in 79 structured quarterly installments from September 30, 2024	9.20% (Interest rate is One year MCLR plus applicable spread)	12,699.22	11,578.87

(b) Details of security

Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total equity shares of the Company, held by the holding company.

14(b) Current Borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of long term borrowings	235.31	145.11
Unsecured loans		
Loan from holding company	1,297.22	823.00
Total	**1,532.53**	**968.11**
Aggregate secured borrowings	235.31	145.11
Aggregate unsecured borrowings	1,297.22	823.00

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from holding company	September 27, 2025 (PY: March 31, 2025)	Repayable on before maturity date	8.95% (March 31, 2024: 8.15%)	1,297.22	823.00

During the year, the Company has used all the borrowings for specific purpose for which they have been obtained.

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	32.99	386.08
Other Bank Balances	355.48	287.00
Interest accrued	(37.93)	(10.24)
Borrowings	(13,996.44)	(12,401.87)
Net debt	**(13,645.91)**	**(11,739.03)**

	Other assets		Liabilities from financing activities	Total
	Cash & cash equivalents	Cash & cash equivalents	Borrowings including accrued interest	
Net debt as at March 23, 2023				
Cash flows	386.08	287.00	(12,401.87)	(11,728.80)
Interest capitalised	-	-	(782.31)	(782.31)
Interest paid	-	-	772.07	772.07
Net debt as at March 31, 2024	**386.08**	**287.00**	**(12,412.11)**	**(11,739.03)**
Cash flows	(353.09)	68.48	(1,594.80)	(1,879.42)
Interest expense	-	-	(528.54)	(528.54)
Interest paid	-	-	1,186.24	1,186.24
Interest capitalised	**-**	**-**	**(685.16)**	**85.16)**
Net debt as at March 31, 2025	**32.99**	**355.48**	**(14,034.37)**	**(13,645.91)**

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

15. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro and small enterprises (Refer note 32)	3.72	0.65
Total outstanding dues of creditors other than micro and small enterprises		
i) Related parties (Refer note 25)	25.06	42.89
ii) Others	27.95	11.25
Total	**56.73**	**54.79**

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	3.62	0.10	-	-	-	-	3.72
(ii) Others	26.66	25.22	1.13	-	-	-	53.01
Total	**30.28**	**25.32**	**1.13**	**-**	**-**	**-**	**56.73**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	0.41	0.24	-	-	-	-	0.65
(ii) Others	18.66	-	35.48	-	-	-	54.14
Total	**19.07**	**0.24**	**35.48**	**-**	**-**	**-**	**54.79**

16. Other financial liabilities (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipment	222.26	913.15
Interest accrued but not due on loans	37.93	10.24
Others	-	0.18
Total	**260.19**	**923.57**

17. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	2.80	2.47
Others	0.01	26.04
Total	**2.81**	**28.51**

18. Revenue from operations

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from power supply	467.17	-
Total	**467.17**	**-**

Disclosures pursuant to IND AS 115: Revenue from contracts with customers

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	467.17	-
At a point-in-time basis	-	-
Total revenue from contracts with customers	**467.17**	**-**
ii) Revenue by geographical market:		
Within India	467.17	-
Outside India	-	-
Total revenue from contracts with customers	**467.17**	**-**

iii) Reconciliation between revenue recognised in the Statement of profit and loss and contract price

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract price	1,375.71	19.57
Trial run revenue reduced from cost of property, plant and equipment	908.54	19.57
Total Revenue recognised	**467.17**	**-**

(iv) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

19. Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from financial assets at amortised cost	8.38	2.50
Net Gain on mutual fund measured at fair value through profit or loss	0.61	-
Provisions no longer required written back	26.09	-
Total	**35.08**	**2.50**

20. Finance costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on loan from bank	1,142.61	330.39
Interest on loan from holding company	59.20	451.92
Less: Capitalized during the year/ period	(673.27)	(782.31)
Total	**528.54**	**-**

21. Depreciation and impairment expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	288.43	-
Impairment of property, plant and equipment (Refer note 29)	139.08	-
Total	**427.51**	**-**

First Energy 6 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

22. Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Operation and maintenance expenses	41.56	-
Site expenses	18.27	-
Insurance	107.40	-
Repairs and maintenance	7.67	-
Director siting fees	1.65	-
Legal and professional fees	16.42	3.09
Auditor's remuneration (Refer below note)	1.77	1.77
Rates and taxes	2.62	7.82
Travelling and conveyance	0.03	0.04
Management fees	20.03	-
Corporate overhead allocation	-	47.63
Technical charges/ Inspection	5.37	-
Rent expenses	-	0.15
Miscellaneous expenses	17.18	20.13
Total	**239.97**	**80.63**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current year and previous period.

Note: Auditor's remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory audit fees (Including GST)	1.77	1.77
Total	**1.77**	**1.77**

23. Loss per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net loss attributable to the equity shareholders of the Company	(693.77)	(78.13)
Weighted average number of equity shares of Rs.10/- each	44,629,450	25,438,681
Basic and Diluted Loss per share (In Rs.)	**(1.55)**	**(0.31)**

24. Contingent liabilities and commitments

Contingent liabilities

There are no liabilities of contingent nature.

Capital and other commitment

Estimated amount of contracts remaining to be executed in capital account (net of advances) and not provided for is Rs. NIL (March 31, 2024: Rs.852 lakhs).

25. Related party disclosures

A Immediate holding company

First Energy Private Limited

B Ultimate holding company

RDA Holding Private Limited

C Intermediate holding company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Key Management Personnel:

1 Ravi Damaraju - Director

2 Sandeep Mandke- Director

3 Vijay Musalgaonkar- Chief Executive Officer (w.e.f. December 22, 2023)

4 Krunal Thakarar- Chief Financial Officer (w.e.f. December 22, 2023 till August 30, 2024)

5 Ramesh Kharche - Chief Financial Officer (w.e.f. January 24, 2025)

6 Sumit Rathi - Director (w.e.f. April 03, 2024)

7 Hrishikesh Yadav - Company secretary (w.e.f. May 02, 2024)

8 Sanjay Parande - Independent and additional director (w.e.f. July 26, 2024)

9 Ashok Joshi - Independent and additional director (w.e.f. July 26, 2024)

E Entities under common control with whom there have been transactions during the year

First Energy 4 Private Limited

First Energy 5 Private Limited

F Transactions with Related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
With Immediate holding company		
First Energy Private Limited		
Subscription to equity shares by holding company	-	3,301.00
Interest on borrowings (including capitalised)	59.20	446.91
Reimbursement of expenses paid	0.10	388.34
Management fees	20.03	-
Loan taken	1,144.50	10,939.22
Loan repaid	670.28	10,116.22
Entities under common control		
First Energy 4 Private Limited		
Reimbursement of expenses received	-	0.49
Reimbursement of interest paid	-	293.10
Reimbursement of expenses paid	-	3,365.31
First Energy 5 Private Limited		
Reimbursement of expenses paid	1.21	0.13
Reimbursement of expenses Paid (Common Infrastructure Cost)	-	395.00
Key management personnel		
Short term employee benefits (Director sitting fees)	1.65	-

G Outstanding balances

Particulars	As at March 31, 2025	As at March 31, 2024
Immediate holding company		
Borrowings	1,297.22	823.00
Trade payable	25.06	42.89
Payable for property, plant and equipment	-	38.56
Interest accrued but not due	37.93	10.24
Entities under common control		
First Energy 5 Private Limited		
Reimbursement of expenses paid	-	-
Payable for property, plant and equipment	-	395.00

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

H Terms and conditions for outstanding balances

All outstanding balances are unsecured, interest free (except for borrowings) and payable in cash. For details of interest on borrowings, refer note 14.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

26 Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade payables	56.73	54.78
Borrowings	13,996.44	12,401.87
Other liabilities	260.19	923.57
Total	**14,313.36**	**13,380.22**
Current liabilities	1,849.45	1,946.46
Non-current liabilities	12,463.91	11,433.76
Total	**14,313.36**	**13,380.22**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Trade receivables	162.74	19.57
Cash and cash equivalents	32.99	386.08
Bank balances other than cash and cash equivalents	355.48	287.00
Other financial assets	157.50	157.59
Total	**708.70**	**850.24**
Current assets	708.70	850.24
Non-current assets	-	-
Total	**708.70**	**850.24**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assets		
Investments		
Mutual funds	-	252.32
Total financial assets (Current)	**-**	**252.32**

Fair value of market linked mutual funds is determined using Net Asset Value (NAV) report issued by mutual fund house.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the company's assets.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2024

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial Assets				
Investments				
Mutual funds	March 31, 2024	-	252.32	-

Level I: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level III: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

27. Financial risk management

The Company's principal financial liabilities comprise borrowings, trade and 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 and cash and cash equivalents are derived directly from its operations.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Management of the company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the company reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31,2024.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings.

	March 31, 2025	March 31, 2024
Variable rate borrowings	12,699.22	11,578.87

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

	March 31, 2025	March 31, 2024
Interest rates - Increase by 25 basis points	(13.01)	-
Interest rates - Decrease by 25 basis points	13.01	-

Impact due to sensitivity of interest rate is not calculated for comparative period, because the Company's loss before tax was not affected through the impact on floating rate borrowings, as borrowing was towards acquiring a qualifying asset and the related interest was capitalised according to IND AS 23.

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the period and comparative period and hence not exposed to any foreign currency risk.

c Price risk

The Company's investments are susceptible to market risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Company manages the price risk through placing limits on individual and total equity/ mutual fund investments. Reports on the investment portfolio are submitted to the management on a regular basis. The Company is not currently exposed significantly to such risks

II 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 security deposits) and from its investing activities, including deposits with banks.

Expected credit loss for

Balances with banks

Credit risk from balances with banks is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits which is considered to be low risk. No loss allowance is required to be recognised for the same.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes above. There is no charge of impairment to Statement of profit and loss.

Trade receivables	As at March 31, 2025		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	147.18	0%	-
Billed	15.56	0%	
Total	**162.74**	**-**	**-**

Trade receivables	As at March 31, 2024		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	19.57	0%	-
Total	**19.57**	**0%**	**-**

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, marketable securities the availability of funding through an adequate amount of committed credit facilities to meet obligations. Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	1,532.53	716.40	1,087.67	10,781.99
Trade payables	56.73	-	-	-
Other financial liabilities	260.19	-	-	-

March 31, 2024

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	968.11	448.76	792.81	10,272.32
Trade payables	54.78	-	-	-
Other financial liabilities	923.57	-	-	-

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

28 Analytical ratios

S. No.	Particulars	Numerator	Denominator	For the period ended March 31, 2025	March 23, 2023 to March 31, 2024	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current assets	Current liabilities	0.46	0.56	-18%	Not Applicable
2	Debt-Equity Ratio	Total debt	Shareholders' equity	3.84	2.86	34%	Due to additional borrowing availed during the year compensated by decrease in equity due to losses
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest + Principal Repayments)	0.47	Not Applicable	Not Applicable	Not Applicable
4	Return on Equity	Net profits after taxes	Average Shareholder's equity	-0.17	-1.80%	865%	Refer note (i)
5	Trade payables turnover Ratio	Net Credit Purchases	Average trade payables	2.85	0.96	196%	Refer note (i)
6	Trade Receivables turnover Ratio	Total Sales	Average Trade Receivable	5.13	Not Applicable	Not Applicable	Not Applicable
7	Return on investment	Investment income	Average investments	2.01%	1.61%	24%	Not Applicable
8	Return on Capital employed	Earning before interest and taxes	Capital employed	-0.01	-0.47%	101%	Refer note (i)
9	Net capital turnover Ratio	Total Sales	Working Capital	-0.47	Not Applicable	Not Applicable	Not applicable
10	Net Profit Ratio	Net Profits after taxes	Revenue	-1.49	Not Applicable	Not Applicable	Not applicable

Working Capital = Current assets less Current liabilities
Capital employed = Tangible Net worth plus total debt
Average = (Opening + Closing)/2

Note:

(i) Considering the Company completed construction of renewable plant and has started generating power during the year, there are significant transactions incurred during the year resulting in increase in expenses, revenue, trade receivables. Whereas, payments made to outstanding capital creditors resulted in reduction in cash and bank balances and payables.

(ii) As no sales during the previous period, sales and purchases were NIL. Thus, Comparative period ratios are not calculated wherever Sales and purchases amounts are considered for calculation.

29 The site of the project were affected by severe rains in December 2024 resulting in submerging of site. The management has performed assessment of losses incurred on account of this event. Basis the assessment, amount of Rs. 139.08 lakhs has been recognized as impairment expenses for the damage in the books of accounts. The management has communicated the extent of damages to the insurer.

30 Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

	March 31, 2025	March 31, 2024
Borrowings including accrued interest	14,034.37	12,412.11
Less: Cash and cash equivalents (includes other bank balances)	388.46	673.08
Net debt	**13,645.91**	**11,739.03**
Equity	**3,647.01**	**4,340.78**
Net Debt to Equity	**3.74**	**2.70**

Net debt equity ratio has increased on account of increase in debt for procurement of property, plant and equipment and also there has been decrease in equity on account of losses during the year.

Loan Covenants

The Borrower shall, during the entire tenor of the Facility, ensure that:

(a) the Security Cover Ratio shall be above 1.2:1

(b) its Debt to Equity Ratio should not be greater than 4.5:1 and

(c) its Debt Service Coverage Ratio does not fall below 1.10:1

(d) Interest coverage ratio does not fall below 1.5:1

The financial covenant shall be tested based on the audited financial statements every year from first full year of commercial operation. Accordingly, these covenants will be tested from the next year.

31 Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source".

Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

32. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount dues to micro and small enterprises	3.72	0.65
- Interest due thereon	-	0.02
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	14.73	1.22
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.14	0.02
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.14	0.04
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.18	0.04

33. Other statutory information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current year or previous period.

(iv) There is no income surrendered or disclosed as income during the current period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current year or previous period.

(viii) Utilisation of borrowed funds and share premium

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.

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 Company 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.

34. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with regulations.

35. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

36. The Company was incorporated on March 23, 2023. Therefore, comparative amounts are for the period March 23, 2023 to March 31, 2024.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 6 Private Limited

Ravi Damaraju
Director
DIN: 09675574

Sumit Rathi
Director
DIN : 07727272

Vijay Musalgaonkar
Chief Executive Officer

Ramesh Kharche
Chief Financial Officer

Hrishikesh Yadav
Company Secretary

Place: Pune
Date: April 29, 2025

First Energy 7 Private Limited

Board of Directors
Ravi Damaraju
Sandeep Mandke
Sumit Rathi
Sanjay Parande
Ashok Joshi

Registered Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personel
Umesh Mhaske,, Chief Executive Officer
Abhishek Kangokar, Chief Financial Officer
Aditi Karambelkar, Company Secretary

Bankers
Bank of India

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure to present the Second Annual Report, together with the audited financial statements of your company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	March 23, 2023, to March 31, 2024
Total income	639.36	7.49
Profit before finance cost, depreciation, and tax	547.44	(3.31)
Finance Cost	286.62	-
Profit before depreciation and tax	260.81	(3.31)
Depreciation and impairment	203.16	-
Profit/(Loss) before tax	57.65	(3.31)
Provision for taxation (incl. deferred tax)	(18.0)	-
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	39.65	(3.31)

State of Company's Affairs

The Company has commissioned a Solar project with a plant capacity of 15.5MWp/11.5MW during the year.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affects the financial position of the Company.

Dividend

The directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the Company. The Paid-up Share Capital of the Company is 18,82,00,000 divided into 1,88,20,000 Equity Shares of Rs. 10 each. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its renewable energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involves risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The major risk identified by the Company is generation loss due to lower radiation and Grid failures. The Company continuously studies the radiation levels with historical data from reliable sources. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using water cleaning modules at regular frequency.

First Energy 7 Private Limited

Health and Safety

Across all its operational assets, sites and offices, the company implements policies that covers Health and safety. The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalisation: - HSE digital software implemented for hazard reporting, at risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sandeep Mandke (DIN: 09619581) retires by rotation and being eligible offers, himself for re-appointment. The proposal of re-appointment forms part of the Notice of the Second AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani (DIN: 01853530) resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Sumit Rathi (DIN: 07727272) was appointed as an Additional Director of the Company with effect from April 3, 2024 and his appointment was regularized on July 23, 2024.
- During the year, Mr. Sanjay Parande (DIN: 07161299) and Mr. Ashok Joshi (DIN: 02296952) were appointed as Additional Independent Directors of the Company w.e.f. July 26, 2024. The Independent Directors are appointed for a term of 5 consecutive years commencing from July 26, 2024 up to July 26, 2029.
- Ms. Aditi Karambelkar was appointed as the Company Secretary and Key Managerial Personnel (KMP), Mr. Abhishek Kangokar as the Chief Financial Officer & KMP and Mr. Umesh Mhaske as the CEO & KMP of the company with effect from July 26, 2024.

Policy on appointment and remuneration of directors and key managerial personnel

The Board has adopted a policy on selection and appointment of Directors and remuneration of Directors, KMPs and employees. The Directors do not receive any remuneration except independent directors who are entitled to sitting fees as approved by the Board for each Board/Committee meeting attended. A detailed policy is annexed herewith as Annexure 1 and forms part of this report.

Declaration by Independent Directors

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added in the data bank maintained by the Indian Institute of Corporate Affairs for independent directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. However, an individual who has fulfilled the criteria prescribed in Rule 6(4) of the said Rules, is exempted from passing the online proficiency self-assessment test. In view of the same, Mr. Sanjay Parande, having met the aforesaid criteria, was exempted from the proficiency self-assessment test and Mr. Ashok Joshi has passed the proficiency self-assessment test.

The Board is of the opinion that the Directors of the Company are eminent persons with integrity and have necessary expertise and experience to continue to discharge their responsibilities as Directors of the Company.

Board Meetings

During the year, the Board met five times on April 15, 2024, May 2, 2024, July 26, 2024, October 29, 2024 and January 24, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Independent directors meeting

During the year under review, the independent directors met once on January 23, 2025 where all independent directors were present inter alia to review the performance of the Board and non-independent directors of the Company.

Committees of the Board

The Board has constituted the following committees viz. Audit Committee and Nomination and Remuneration Committee.

Audit Committee

The Audit Committee of the Board of Directors was constituted on July 26, 2024. The committee comprises of all directors being non-executive directors viz Mr. Sanjay Parande as the Chairman and Mr. Ashok Joshi & Mr. Sandeep Mandke as members of the committee. The committee met twice during the year on October 29, 2024 and January 24, 2025. Further, all the recommendations made by the audit committee were accepted by the Board.

Nomination & Remuneration Committee

The Nomination & Remuneration Committee of the Board of Directors was constituted on July 26, 2024. The committee comprises of all directors being non-executive directors viz Mr. Ashok Joshi as the Chairman and Mr. Sanjay Parande & Mr. Ravi Damaraju as members of the committee. The committee met once on January 24, 2025.

Director's Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the Profit of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar and associated Renewable energy generation sources for commercial & industrial customers.

As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning. In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

In the case of Technology absorption, the Company used higher rated (>540Wp) Monoperc PV modules with better efficiency, a structure designed to string type Solar Inverters designed for outdoor installation

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the company is a Subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. It has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

- Grid tariffs for next FY 2025-26 was proposed by the state distribution company. The proposed changes included solar hour discounts and reduced banking benefits, which if implemented, would have led to reduced captive arbitrage for the Company's customers. The Holding Company represented its objections on the proposal, to the state commission. The final provisions (under consideration with state commission) have reduced solar hours discounts, retention of banking facility and a request to institutionalize battery capacities for solar open access projects in the state, thereby having positive impact to business.
- The State energy department-initiated process for formulating state's Integrated Energy Policy. The Holding company is part of the engagement and has tabled suggestions/policy recommendations for captive open access projects, and battery projects in the state.

Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five years from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work and support.

For and on behalf of the Board of Directors of
First Energy 7 Private Limited

Sumit Rathi	**Ravi Damaraju**
Director	Director
DIN: 07727272	DIN: 09554649

Pune, April 28, 2025

First Energy 7 Private Limited

Annexure 1

Policy on Selection and Appointment of Directors and Remuneration of Directors, KMPs and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Non-Executive Directors (NEDs), based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict-of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration :

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the N&R Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD, WTD & CEO:

i. At the time of appointment or re-appointment, the Managing Director (MD), Whole Time Director (WTD) and Chief Executive Officer (CEO) shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the MD, WTD and CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD, WTD and CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the N&R Committee shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD, WTD and CEO, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/ employees and KMPs shall ensure the following:

(i) The remuneration is divided into Fixed component & Variable Component.

(ii) The division is based on the fixed salary and performance bonuses.

(iii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

Based on the Annual Business Plan prepared, Individual Contribution Plan (ICP) is prepared by the Senior Management which is agreed upon. It broadly contains certain targets for strategic objectives, operational excellence-oriented initiatives, and business deliverables. The actual performance of individual repartee will be discussed by the MD and CEO at the year's end. Based on the appraisal and overall performance of the Company and after considering the market trends, suitable increments/ variable pay shall be decided by the MD and CEO.

The MD & CEO will present a snapshot of the evaluation carried out to assess the performance of the Whole-time Director, while recommending the annual increment of the NRC, for its review and approval.

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy 7 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 7 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

11. 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.

First Energy 7 Private Limited

Report on other legal and regulatory requirements

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

13. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 13(b) above on reporting under Section 143(3)(b) and paragraph 13(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 34(viii) to the financial statements, 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, as disclosed in the Note 34(viii) to the financial statements, 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; and

            (c) Based on such audit procedures that we 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 or paid any dividend during the year.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

14. The Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJC6765
Place: Pune
Date: May 07, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 13(g) of the Independent Auditor's Report of even date to the members of First Energy 7 Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 7 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJC6765
Place: Pune
Date: May 07, 2025

First Energy 7 Private Limited

Annexure B to Independent Auditors' Report

Referred to in paragraph 12 of the Independent Auditor's Report of even date to the members of First Energy 7 Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets). Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investments in 1 mutual fund scheme during the year.

The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3 (iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained. (Also, refer Note 13 to the financial statements)

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out in a phased manner. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year and had incurred cash losses of Rs. 3.31 lakhs in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJC6765
Place: Pune
Date: May 07, 2025

First Energy 7 Private Limited

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	5,813.13	-
Capital work-in-progress	3	-	2,409.30
Right-of-use assets	3(b)	228.40	263.79
Financial assets			
(a) Other financial assets	4	27.62	0.90
Income tax assets (net)	5	0.51	1.03
Other non-current assets	6	-	542.83
Total non-current assets		**6,069.66**	**3,217.85**
Current assets			
Financial assets			
(a) Investments	7	151.56	-
(b) Trade receivables	8	87.12	-
(c) Cash and cash equivalents	9	64.54	63.20
Other current assets	10	4.72	-
Total current assets		**307.94**	**63.20**
Total Assets		**6,377.60**	**3,281.05**
EQUITY AND LIABILITIES			
Equity			
Equity share capital	11	1,882.00	1,882.00
Other equity	12	15.11	(24.55)
Total Equity		**1,897.11**	**1,857.45**
Non-current liabilities			
Financial liabilities			
(a) Borrowings	13(a)	4,003.21	-
(b) Lease liabilities	14(a)	188.53	210.21
Deferred tax liabilities (net)	15	18.00	-
Total non-current liabilities		**4,209.74**	**210.21**
Current liabilities			
Financial liabilities			
(a) Borrowings	13(b)	154.85	859.00
(b) Lease liabilities	14(b)	36.10	20.30
(c) Trade payables	16		
i) total outstanding dues of micro and small enterprises		0.59	11.25
ii) total outstanding dues of creditors other than micro and small enterprises		7.30	11.87
(d) Other financial liabilities	17	70.47	291.83
Other current liabilities	18	1.44	19.14
Total current liabilities		**270.75**	**1,213.39**
Total Equity and Liabilities		**6,377.60**	**3,281.05**

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
Income			
Revenue from operations	19	637.76	-
Other income	20	1.60	7.49
Total Income		**639.36**	**7.49**
Expenses			
Finance costs	21	286.62	-
Depreciation expense	22	203.16	-
Other expenses	23	91.92	10.80
Total expenses		**581.70**	**10.80**
Profit/(loss) before tax		**57.66**	**(3.31)**
Tax expense		**(18.00)**	**-**
Current tax		-	
Deferred tax		(18.00)	-
Profit /(Loss) for the year/ period		**39.66**	**(3.31)**
Other comprehensive income		-	-
Total comprehensive income for the year/period		**39.66**	**(3.31)**
Earnings/(Loss) per equity share			
Basic and Diluted [nominal value per share ₹ 10]	24	0.21	(0.07)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date.

The above Balance Sheet should be read in conjunction with the accompanying notes.
As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 7 Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN: 09675574

Umesh Mhaske
Chief Executive Officer

Abhishek Kangokar
Chief Financial Officer

Aditi Karambelkar
Company Secretary

Place: Pune
Date: April 28, 2025

Statement of changes in equity for the year ended March 31, 2025
(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at March 26, 2023	**-**
Issue during the period	1,882.00
As at March 31, 2024	**1,882.00**
Issue during the year	-
As at March 31, 2025	**1,882.00**

B Other Equity

Particulars	Retained Earnings	Total
As at March 26, 2023	-	-
Loss for the period	(3.31)	(3.31)
Other comprehensive income	-	-
Total Comprehensive income for the period	**(3.31)**	**(3.31)**
Cost related to issue of own equity instruments	(21.24)	(21.24)
As at March 31, 2024	**(24.55)**	**(24.55)**
Profit for the year	39.66	39.66
Other Comprehensive Income	-	-
Total Comprehensive Income for the year	**39.66**	**39.66**
As at March 31, 2025	**15.11**	**15.11**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 7 Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
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DIN: 09675574

Umesh Mhaske
Chief Executive Officer

Abhishek Kangokar
Chief Financial Officer

Aditi Karambelkar
Company Secretary

Place: Pune
Date: April 28, 2025

First Energy 7 Private Limited

Statement of cash flows for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
A)	**Cash flows from operating activities**		
	Profit/(loss) before tax	57.66	(3.31)
	Adjustments for:		
	Depreciation expenses	203.16	-
	Finance costs	286.62	-
	Loss on lease disposal	2.30	-
	Interest income from financial assets at amortised cost	-	(7.49)
	Net gain on mutual fund measured at fair value through profit or loss	(1.56)	-
	Working capital adjustments		
	(Increase) in trade receivables	(87.12)	-
	(Increase) in other financial assets	(26.72)	(0.90)
	(Increase) in other assets	(4.72)	-
	Increase/(Decrease) in trade payables	(15.24)	23.12
	Increase/(Decrease) in other financial liabilities	(0.81)	1.11
	Increase/(Decrease) in other liabilities	(17.70)	19.14
	Cash generated from operations	**395.87**	**31.67**
	Income taxes (paid)/refund received (net)	0.52	(1.03)
	Net cash generated from operating activities	**396.39**	**30.64**
B)	**Cash flows from investing activities**		
	Payments for property, plant and equipment	(3,196.17)	(2,629.82)
	Investments in mutual funds	(170.00)	-
	Proceeds from sale of mutual funds	20.00	-
	Interest received	-	7.49
	Initial direct cost pertaining to right-of-use assets	-	(18.00)
	Net cash used in investing activities	**(3,346.17)**	**(2,640.33)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	5,810.85	859.00
	Proceeds from issue of equity shares	-	1,882.00
	Repayment of borrowings	(2,460.85)	-
	Transaction cost for availing borrowings	(53.29)	-
	Interest paid on borrowings	(291.34)	-
	Cost related to issue of own equity instruments	-	(21.24)
	Interest paid capitalised	(54.25)	(26.57)
	Principal elements of lease payments	-	(20.30)
	Net cash flow from financing activities	**2,951.12**	**2,672.89**
	Net increase in cash and cash equivalents	**1.34**	**63.20**
	Cash and cash equivalents at the beginning of the year/period	63.20	-
	Cash and cash equivalents at the end of the financial year/ period	**64.54**	**63.20**
	Non-cash financing and investing activities		
	-Acquisition/ (disposal) of right-of-use assets	(27.38)	265.33

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025	March 24, 2024
Cash and cash equivalents (refer note 9)	64.54	63.20
Balances as per statement of Cash flows	**64.54**	**63.20**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer Note 13(b) for Net debt reconciliation.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 7 Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
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DIN: 09675574

Umesh Mhaske
Chief Executive Officer

Abhishek Kangokar
Chief Financial Officer

Aditi Karambelkar
Company Secretary

Place: Pune
Date: April 28, 2025

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy 7 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on March 26, 2023 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business of producing solar power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized these financial statements on March 26, 2023. The CIN of the Company is U35105PN2023PTC218968.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when the Company has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

At the end of each reporting period, the Company updates the estimated transaction price to represent the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Company accounts for such changes in the transaction price (including claims). Consideration / claim payable to a customer includes cash amounts that an entity pays to the customer. The Company accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct goods or service that the customer transfers to the entity. The consideration payable to a customer includes a variable amount.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Property, plant and equipment

All items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30
Furniture and fixtures	10	10
Roads	3	3

Also refer 2.3.c for other accounting policies relating to Property, plant and equipment.

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in statement of cash flows.

d. Leases

Company as a lessee

The Company lease asset classes primarily consist of leasehold lands. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the

economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be paid under residual value guarantees. There are no variable lease payments.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate standalone price of the non-lease components.

2.3. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss. There are currently no debt securities which are carried at FVTPL.

iv. Equity investments

All equity investments in scope of Ind AS 109 - "Financial Instruments", are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Currently, for all equity instruments, subsequent changes in the fair value is recognized in Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Property, plant and equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

e. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

g. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

h. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

i. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

j. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

k. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

l. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

ii. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

3 a. Property, plant and equipment (including Capital work-in-progress)

Particulars	Buildings	Plant and Machinary	Roads	Furniture and fixtures	Total	Capital work-in-progress
Gross carrying amount:						
As at March 26, 2023	**-**	**-**	**-**	**-**	**-**	**-**
Additions	-	-	-	-	-	2,409.30
Deduction	-	-	-	-	-	-
As at March 31, 2024	**-**	**-**			**-**	**2,409.30**
Additions	94.52	5,882.07	32.85	1.13	6,010.57	3,601.27
Deduction/ transfer	-	-	-	-	-	6,010.57
As at March 31, 2025	**94.52**	**5,882.07**	**32.85**	**1.13**	**6,010.57**	**-**
Accumulated Depreciation						
As at March 26, 2023	**-**	**-**	**-**	**-**	**-**	**-**
For the period	-	-	-	-	-	-
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**-**
For the year	11.11	178.44	7.81	0.08	197.44	-
As at March 31, 2025	**11.11**	**178.44**	**7.81**	**0.08**	**197.44**	**-**
Net carrying amount:						
As at March 31, 2025	**83.41**	**5,703.63**	**25.04**	**1.05**	**5,813.13**	**-**
As at March 31, 2024	**-**	**-**	**-**	**-**	**-**	**2,409.30**

Ageing of capital work-in-progress

Particulars	As at March 31, 2024				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress					
15.5 MW Solar Project	2,409.30	-	-	-	2,409.30
Total	**2,409.30**	**-**	**-**	**-**	**2,409.30**

Capital-work-in-progress included overdue project amounting to Rs 2,409.30 lakhs. This project is capitalised in July 2024.

Capitalization of expenses

During the year, the Company has capitalized the following expenses of revenue nature to the cost of Property Plant and Equipment / Capital work-in-progress. Consequently, expenses disclosed under the respective notes were net of amounts capitalized by the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Reimbursement of employees expenses	-	58.56
Interest expenses (net)	59.53	-
Reimbursement of Interest expenses*	-	26.57
Depreciation and reimbursement of depreciation expenses*	2.39	4.53
Reimbursement of others expenses	-	0.48
Total	**61.92**	**90.14**

* Reimbursement of interest and depreciation relates to expenses pertaining to rental property for which right-of-use assets and lease liabilities have been recognised.

3(b) Right- of- use assets

Particulars	Leasehold Land	Total
Gross carrying amount:		
As at March 26, 2023	**-**	**-**
Additions*	265.33	265.33
Deductions	-	-
As at March 31, 2024	**265.33**	**265.33**
Deductions	(27.38)	(27.38)
As at March 31, 2025	**237.95**	**237.95**
Accumulated Depreciation		
As at March 26, 2023	**-**	**-**
Charge for the period	**1.54**	**1.54**
Deductions	-	-
As at March 31, 2024	**1.54**	**1.54**
Charge for the year	8.11	8.11
Deductions	(0.10)	(0.10)
As at March 31, 2025	**9.55**	**9.55**
Net Block		
As at March 31, 2025	**228.40**	**228.40**
As at March 31, 2024	**263.79**	**263.79**

*Includes initial direct costs incurred by the lessee amounting to Rs. 18.00 lakhs

Company has taken land on lease which has been accounted in accordance with Ind AS 116-Leases under right of use assets. Refer note 26 for further disclosure on leases.

4. Other financial assets (non-current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	**27.62**	**0.90**
Total	**27.62**	**0.90**

First Energy 7 Private Limited

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

5. Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	1.03	-
Add: Taxes paid during the year/ period	0.51	1.03
Less: Refund received during the year	(1.03)	-
Total	**0.51**	**1.03**

6. Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	-	542.83
Total	**-**	**542.83**

7. Investments

Particulars	Number of units		Amount	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investment at fair value through Profit and Loss				
Investments in Mutual Funds:				
Nippon India Liquid Fund -Growth- Regular	2,418.13	-	151.56	-
Total Current Investments	**2,418.13**	**-**	**151.56**	**-**
Aggregate value of quoted investments and market value thereof			-	-
Aggregate value of unquoted investments			151.56	-
Aggregate amount of impairment in the value of investments			-	-

8. Trade receivables

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
-Unbilled*	87.12	-
-Billed	-	-
Total	**87.12**	**-**
Break-up for security details:		
Trade receivables considered good - Unsecured	87.12	-
Trade receivable which have a significant increase in credit risk	-	-
Trade receivables - credit impaired	**-**	**-**
	87.12	**-**
Less: Impairment Allowance	**-**	**-**
Total	**87.12**	**-**

No trade or other receivables are due from directors or officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivables are unbilled because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade receivables ageing:

As at March 31, 2025

Particulars/ Projects	Unbilled	Not due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months to 1 year	1 year to 2 years	2 years to 3 years	More than 3 years	
Undisputed Trade Receivables- Considered good	87.12	-	-	-	-	-	-	87.12
Total	**87.12**	**-**	**-**	**-**	**-**	**-**	**-**	**87.12**

9. Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with Banks		
- in current accounts	64.54	13.20
- deposits with original maturity of less than three months	-	50.00
Total	**64.54**	**63.20**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

10. Other Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to suppliers	3.34	-
Prepaid expenses	1.38	-
Total	**4.72**	**-**

11. Equity Share Capital

(a) Authorized share Capital

Particulars	No. of shares	Amount
As at March 26, 2023	**-**	
Increase during the period	21,000,000	2,100
As at March 31, 2024	**21,000,000**	**2100**
Increase during the year	-	-
As at March 31, 2025	**21,000,000**	**2,100**

b) Issued, Subscribed and paid up equity share capital

Particulars	No. of shares	Amount
As at March 26, 2023	-	**-**
Changes during the period	18,820,000	1,882.00
As at March 31, 2024	**18,820,000**	**1,882.00**
Changes during the year	-	-
As at March 31, 2025	**18,820,000**	**1,882.00**

c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

d) Equity shares held by ultimate holding / holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Private Limited (including 6 shares held by nominee shareholders)	13,395,000	1339.50	13,395,000	1,339.50
Equity shares of Rs 10 each				

e) Details of shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited		
% Holding	71.17%	71.17%
No. of shares	13,395,000	13,395,000
ii) Excel Industries Limited		
% Holding	28.83%	28.83%
No. of shares	5,425,000	5,425,000

f) Shares held by promoters at the end of the year/ period

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited	13,395,000	71.17%	13,395,000	71.17%	0.00%

(g) Aggregate number of shares issued for consideration other than cash :

There are no shares issued for consideration other than cash or by way of bonus shares during the current or previous year.

12. Other Equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings		
Opening Balance	(24.55)	-
Add : Profit/(Loss) for the year/period	39.66	(3.31)
Cost related to issue of own equity instruments	-	(21.24)
Total	**15.11**	**(24.55)**

13. Borrowing

(a) Non-current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Indian rupee loans from bank*	4,127.91	-
Less: Current maturities of long-term debts (included in current borrowings)	124.70	-
Total	**4,003.21**	**-**
* After considering unamortised expense of Rs. 50.94 Lakhs		
Aggregate secured borrowings	4,003.21	-
Aggregate unsecured borrowings	-	-

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from Bank of India	June 30, 2044	Repayable in 77 structured quarterly installments from June 30, 2025	9% (1 Year MCLR plus applicable spread)	4,127.91	-

During the year, the Company has used all the borrowings for specific purpose for which they have been obtained.

Details of Security

Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the Company (present and future) including but not limited to book debts, operating cash flows, intangible assets including goodwill and uncalled capital, intellectual property, both present and future, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of shares of the Company held by the Holding Company.

13(b): Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of long term borrowings from bank	124.70	-
Unsecured loans		
From holding company	30.15	859.00
Total	**154.85**	**859.00**
Aggregate secured borrowings	124.70	-
Aggregate unsecured borrowings	30.15	859.00

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from holding company	September 27, 2025 (March 31, 2024: May 22, 2024)	Repayment in one or multiple tranches within 180 Days	8.95% (March 31, 2024: 8.15%)	30.15	859.00

Net Debt Reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	(4,158.06)	(859.00)
Lease Liabilities	(224.63)	(230.51)
Interest Accrued	(1.32)	(22.41)
Cash and Cash equivalent	64.54	63.20
Net Debt	**(4,319.47)**	**(1,048.72)**

Particulars	Cash and cash equivalents	Liabilities from Financing		Total
		Borrowing including accrued interest	Lease Liabilities	
Cash flows	63.20	(859.00)	-	(795.80)
Addition to Leases	-	-	(230.51)	(230.51)
Interest expenses capitalised	-	(22.41)	-	(22.41)
Net Debt as at March 31, 2024	**63.20**	**(881.41)**	**(230.51)**	**(1,048.72)**
Cash flows	1.34	(3,296.71)	-	(3,295.37)
Disposal of leases	-	-	25.17	25.17
Interest Expenses (including capitalised)	-	(326.87)	(19.29)	(346.16)
Interest paid	-	345.59	-	345.59
Net Debt as at March 31, 2025	**64.54**	**(4,159.40)**	**(224.63)**	**(4,319.49)**

First Energy 7 Private Limited

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

14(a) Lease liabilities (Non-Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities (refer note 20)	188.53	210.21
Total	**188.53**	**210.21**

14(b) Lease liabilities (Current)

Particulars	As at March 31, 2025	As at March 31, 2024
Lease liabilities (refer note 20)	36.10	20.30
Total	**36.10**	**20.30**

15. Deferred tax liabilities (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred tax liability		
Right of use of assets	57.48	66.39
Depreciation on property, plant and equipment	529.66	-
Others	13.00	1.26
	600.14	**67.65**
Deferred tax asset		
Losses available for offsetting against future taxable income	530.14	8.93
Lease liabilities	52.00	58.01
Others	-	0.71
	582.14	**67.65**
Deferred tax liabilities (Net)	**18.00**	**-**
Income tax expense consist of following		
Current tax expenses	-	-
Deferred tax expenses	18.00	-
Total	**18.00**	**-**

During the previous year, the Company had tax losses of Rs 3.31 lakhs that's were available for offsetting future taxable profits. Deferred tax assets were not recognised in respect of the losses as they may not be used to offset taxable profit elsewhere in the company and there were no other tax planning opportunities or other evidences of recoverability in the near future. If the company was able to recognise all unrecognised deferred tax assets, the profit for the previous year would have increased by Rs 0.83 lakhs.

Particulars	Expiry date (Year Ending March 31)	As at March 31, 2025		As at March 31, 2024	
		Amount	Tax Impact	Amount	Tax Impact
Tax losses	FY 2031-32	-	-	3.31	0.83
		-	**-**	**-**	

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	Period ended March 31, 2025	Period ended March 31, 2024
Profit/ (Loss) before tax	57.66	(3.31)
Income tax rate	25.17%	25.17%
Expected tax expense / (credit)	14.51	(0.83)
Others	3.49	0.83
Total tax expense / (credit)	**18.00**	**-**

16. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	0.59	11.25
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Related parties (Refer note 27)	-	3.48
ii) Others	7.30	8.39
Total	**7.89**	**23.12**

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and Small enterprises	0.59	-	-	-	-	-	0.59
(ii) Others	7.10	0.20	-	-	-	-	7.30
Total	**7.69**	**0.20**	**-**	**-**	**-**	**-**	**7.89**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and Small enterprises	11.05	-	0.20	-	-	-	11.25
(ii) Others	11.79	0.08	-	-	-	-	11.87
Total	**22.84**	**0.08**	**0.20**	**-**	**-**	**-**	**23.12**

17. Other financial liabilities (current)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipments	68.86	268.31
Interest accrued but not due on loans	1.32	22.41
Others	0.29	1.11
Total	**70.47**	**291.83**

18. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	1.44	19.14
Total	**1.44**	**19.14**

19. Revenue from Operations

Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
Revenue from Power Supply	637.76	-
Total	**637.76**	**-**

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	637.76	-
At a point in time basis	-	-
Total revenue from contracts with customers	**637.76**	**-**
ii) Revenue by geographical market:		
Within India	637.76	-
Outside India	-	-
Total revenue from contracts with customers	**637.76**	**-**

iii) Reconciliation between revenue recognised in the Statement of profit and loss and contract price

Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
Contract price	674.52	-
Trail run revenue reduced from property, plant and equipment	36.76	
Total Revenue recognised	**637.76**	**-**

iv) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

20. Other Income

Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
Interest income from financial assets at amortised cost	-	7.49
Net gain on mutual fund measured at fair value through profit or loss	1.56	-
Interest on Income tax refund	0.04	-
Total	**1.60**	**7.49**

21. Finance costs

Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
Interest expense on loan from bank	306.79	-
Interest on loan from Holding Company	20.07	26.57
Interest on lease liability	19.29	-
Less: Capitalized during the period/ year	(59.53)	(26.57)
Total	**286.62**	**-**

22. Depreciation and impairment expense

Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
Depreciation of property, plant and equipment	197.44	-
Depreciation of right-of-use assets	8.11	4.53
Less: Capitalized during the period/ year	(2.39)	(4.53)
Total	**203.16**	**-**

23. Other expenses

Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
Rates and taxes	6.92	0.69
Technical charges	14.34	-
Site expenses	14.18	-
Rent paid	1.27	-
Travelling and conveyance	2.58	-
Insurance	5.65	-
Legal and Professional Fees	12.92	2.28
Auditor's remuneration (Refer note below)	1.77	1.77
Communication charges	0.63	-
Electricity charges	16.27	-
Directors Sitting Fees	1.65	-
Management fees	11.08	6.05
Loss on lease disposal	2.30	-
Miscellaneous expenses	0.36	0.01
Total	**91.92**	**10.80**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current year and comparative period.

Note: Auditor's remuneration

Particulars	For the year ended March 31, 2025	March 26, 2023 to March 31, 2024
Statutory Audit Fees (Including GST)	1.77	1.77
Total	**1.77**	**2.97**

24. Earnings/(Loss) per share

Particulars	As at March 31, 2025	As at March 31, 2024
Net profit/(loss) attributable to the equity shareholders of the Company	39.66	(3.31)
Weighted average number of equity shares of Rs.10/- each	18,820,000	4,826,604
Basic and Diluted Earnings / (Loss) per share (in ₹)	**0.21**	**(0.07)**

25. Contingent Liabilities and commitments

Contingent liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Claims against company not acknowledged as debt*	-	40.00

*Claim against the company not acknowledged as debt to customer contract breach.

Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs Nil (PY Rs.2,694.69 lakhs).

26 Leasing Arrangements

Company as lessee

The Company has taken lands on leases for a tenure of 29 years. There are no variable lease payments and residual value guarantees for these leases.

Carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2025	As at March 31, 2024
At the beginning of the year/period	230.51	-
Addition/ (Deduction)	(25.17)	247.33
Accretion of interest	19.29	3.48
Payments made	-	(20.30)
As at end of the year/period	**224.63**	**230.51**
Current portion of lease liabilities	36.10	20.30
Non-current portion of lease liabilities	188.53	210.21
Total	**224.63**	**230.51**

Details of amounts recognised in statement of profit and loss

Particulars	As at March 31, 2025	As at March 31, 2024
Depreciation expense of right-of-use assets	8.11	1.54
Short term lease rent paid	1.27	-
Interest expense on lease liabilities	19.29	3.48
Less: Capitalised during the period	(7.67)	(5.02)
Total amount recognised in statement of profit or loss	**21.00**	**-**

The total cash outflow for leases during the year Rs. Nil lakhs (PY Rs. 38.30 lakhs including initial direct cost). (excluding short term lease payment of Rs 1.27 lakhs).

Extension and termination options are included in a number of property and equipment leases. These are used to maximise operational flexibility in terms of managing the assets used in the company operations. The majority of extension and termination options held are exercisable only by the company and not by the respective lessor.

27. Related party disclosures

A Immediate holding company

First Energy Private Limited

B Ultimate holding company

RDA Holding Private Limited

C Intermediate holding company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Entities under common control with whom there have been transactrions during the year

1 First Energy 4 Private Limited

2 First Energy Nine Private Limited

E Key Management Personnel:

1 Mr. Ravi Damaraju - Director

2 Mr. Mitish Somani - Director (till April 5, 2024)

3 Mr. Sandeep Mandke - Director

4 Mr. Sumit Rathi - Director (w.e.f. April 4, 2024)

5 Mr. Ashok Joshi - Additional and Independent director (w.e.f. July 26, 2024)

6 Mr. Sanjay Parande - Additional and Independent director (w.e.f. July 26, 2024)

7 Mr Umesh Mhaske- Chief executive officer (w.e.f. July 26, 2024)

8 Mr. Abhishek Kangokar- Chief financial officer (w.e.f. July 26, 2024)

9 Ms. Aditi Karambelkar - Company secretary (w.e.f. July 26, 2024)

F Transactions with Related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
With Holding Company		
Subscription for equity shares	-	1,339.50
Interest on borrowings (including capitalised)	20.07	26.57
Loan taken	1,632.00	859.00
Loan Repaid	2,460.85	-
Reimbursement of expenses	13.32	-
EPC Project Management Fees	238.00	89.03
Management Fees	11.08	-
Entities under common control		
First Energy Nine Private Limited		
Reimbursement of expenses received	2.21	-
Reimbursement of expenses paid	0.50	-
First Energy 4 Private Limited		
Reimbursement of expenses paid	1.33	-
Key management personnel compensation		
Short term employee benefits (Director sitting fees)	1.65	-

G Outstanding balances

Particulars	As at March 31, 2024	As at March 31, 2023
Balances as at the year/ period end		
Immediate Holding Company		
First Energy Private Limited		
Trade payables	-	3.48
Advance to supplier	1.86	-
Interest on unsecured loan	2.17	22.41
Unsecured Loans	30.15	859.00

H Terms and conditions for outstanding balances

All outstanding balances are unsecured, interest free except for borrowings and payable in cash. For details of interest on borrowings, refer note 13. The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

28. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	4,158.06	859.00
Trade payables	7.89	23.12
Other financial liabilities	70.47	291.83
Total	**4,236.42**	**1,173.95**
Current liabilities	233.21	1,173.95
Non current liabilities	4,003.21	-
Total	**4,236.42**	**1,173.95**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Notes to the financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Other financial assets	27.62	0.90
Cash and cash equivalents	64.54	63.20
Trade receivables	87.12	-
Total	**179.28**	**64.10**
Current assets	151.66	63.20
Non-current assets	27.62	0.90
Total	**179.28**	**64.10**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

I. Break-up of financial assets carried at fair value through profit and loss

Particulars	As at March 31, 2025
Financial assets	
Investments	
Mutual funds	151.56
Total financial assets (Current)	**151.56**

Fair value of market linked mutual funds is determined using Net Asset Value (NAV) report issued by mutual fund house.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial Assets				
Investments				
Mutual funds	March 31, 2025	-	151.56	-

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

29 Financial risk management

The Company's principal financial liabilities, comprise borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents, trade receivables are derived directly from its operations. The Company also holds investments measured at fair value through profit and loss account.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The management of the company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the company reviews and agrees policies for managing each of these risks, which are summarised below.

I 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 : interest rate risk, currency risk and price risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long term changes in fair value.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows :

	As at March 31, 2025	As at March 31, 2024
Variable rate borrowings	4,127.91	-

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

	As at March 31, 2025	As at March 31, 2024
Interest rates - Increase by 25 basis points	(34.39)	-
Interest rates - Decrease by 25 basis points	34.39	-

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the current year and comparative period.

c Price risk

The Company's investments are susceptible to market risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Company manages the price risk through placing limits on individual and total equity/ mutual fund investments. Reports on the investment portfolio are submitted to the management on a regular basis. The Company is not currently exposed significantly to such risks.

II 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 currently exposed to credit risk from its operating activities (primarily trade receivables) and from its investing activities, including deposits with banks and other financial instruments.

Expected credit loss for

Balances with banks

Credit risk from balances with banks and financial institutions is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets are immaterial.

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits which is considered to be low risk. No loss allowance is required to be recognised for the same.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes below. There is no charge of impairment to Statement of profit and loss.

Trade receivables	As at March 31, 2025		
	Gross	Expected loss rate	Expected loss allowance
Unbilled	87.12	0%	-
Total	**87.12**	**-**	**-**

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

As at March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	154.85	263.46	363.57	3,427.12
Trade payables	7.89	-	-	-
Lease liabilities	36.10	37.90	38.85	522.20
Other financial liabilities	70.47	-	-	-

As at March 31, 2024

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	859.00	-	-	-
Trade Payables	23.12	-	-	-
Lease liabilities	20.30	41.62	42.64	609.73
Other financial liabilities	291.83	-	-	-

30. Analytical ratios

S. No.	Particulars	Numerator	Denominator	As at March 31, 2025	As at March 31, 2024	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current assets	Current liabilities	1.14	0.05	2111%	Refer note (i)
2	Debt-Equity Ratio	Total debt	Shareholders' equity	2.19	0.46	373.98%	Refer note (i)
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	0.21	Not applicable	Not applicable	Not applicable
4	Return on Equity	Net Profits after taxes	Shareholder's equity	2.09%	-0.18%	-1261.56%	Refer note (i)
5	Return on investment	Investment Income	Average investment	2%	15%	-90%	Due to decrease in yield
6	Return on Capital Employed	Earning before interest and taxes	Capital employed	5.67%	-0.12%	-94%	Refer note (i)
7	Net Profit Ratio	Net Profits after taxes	Revenue	6.22%	Not Applicable	Not Applicable	Not Applicable
8	Trade Receivables turnover Ratio	Total sales	Trade receivable	7.32	Not Applicable	Not Applicable	Not Applicable
9	Trade payables turnover Ratio	Net Credit Purchases	Average trade payables	5.93	0.26	2180%	Refer note (i)
10	Net capital turnover Ratio	Total Sales	Working Capital	17.15	Not Applicable	Not Applicable	Not Applicable

Working Capital = Current assets less Current liabilities
Capital employed = Tangible Net worth plus total debt
*Average = ((opening + closing)/2)

Notes to the financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Note:

(i) Considering the Company completed construction of renewable plant and has started generating power during the year, there are significant transactions incurred during the year resulting in increase in expenses, revenue, trade receivables. Whereas, payments made to outstanding capital creditors resulted in reduction in cash and bank balances and payables.

(ii) As no sales during the previous period, sales were NIL. Thus, Comparative period ratios are not calculated wherever Sales amounts are considered for calculation.

31. Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

	As at March 31, 2025	As at March 31, 2024
Borrowings including accrued interest	4,159.40	881.41
Lease liabilities	224.63	230.51
Less: Cash and cash equivalents	64.54	63.20
Net debt	**4,319.49**	**1,048.72**
Equity	**1,897.11**	**1,857.45**
Net Debt to Equity	**2.28**	**0.56**

Net debt to equity has increased on account of significant increase in debt during the year for incurring capital expenditure.

32. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

33. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount dues to micro and small enterprises	0.59	11.25
- Interest due thereon	-	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
The amount of payment made to the supplier beyond the appointed day during the year	66.69	6.03
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.23	0.02
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.23	0.02
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.25	0.02

34. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current year and comparative period.

(iv) There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current year and comparative period.

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

35. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with regulations.

36. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

37. The Company was incorporated on March 26, 2023. Therefore, comparative amounts are for the period March 26, 2023 to March 31, 2024.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No.: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
First Energy 7 Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN: 09675574

Umesh Mhaske
Chief Executive Officer

Abhishek Kangokar
Chief Financial Officer

Aditi Karambelkar
Company Secretary

Place: Pune
Date: April 28, 2025

First Energy 8 Private Limited

Board of Directors
Sumit Rathi
Ravi Damaraju
Sandeep Mandke

Registered Office
Unit No. 601, 6th Floor,
Cello Platina, F.C. Road,
Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Key Managerial Personnel
V. Venkatasubramanian - CEO
Nitin Patil - CFO
Rohit Javiya - CS

Bankers
ICICI Bank

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure to present the Second Annual Report, together with the audited financial statements of your company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	August 10, 2023, to March 31, 2024
Total income	-	5.96
Profit before finance cost, depreciation, and tax	(19.6)	(21.62)
Finance Cost	-	-
Profit (Loss) before depreciation and tax	(19.6)	(21.62)
Depreciation and impairment	-	-
Profit/(Loss) before tax	(19.6)	(21.62)
Provision for taxation (incl. deferred tax)	-	-
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(19.6)	(21.62)

State of Company's Affairs

TThe Company has launched a Renewable Energy project with wind technology. The plant capacity is 58.905 MW. The plant is under construction.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affects the financial position of the Company.

Dividend

In view of accumulated losses, the directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves.

During the year, the Company has not transferred any amount to the General Reserve.

Share Capital

During the year there were changes in the capital structure. The paid up share capital of the Company is Rs 77,36,00,000 divided into 7,73,60,000 shares. During the year under review, the Company has made further issue of shares to the existing shareholders on a rights basis. Details of the further issue of shares are as follows:

Date of Issue	Number of Shares	Nominal value per share (Rs.)	Amount paid up (Rs.)
19/04/2024	1,20,00,000	10	12,00,00,000

The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements. During the year, the Company did not give any guarantee.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors, or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its Renewable Energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involved the risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also collaborates with competent local infra partners and engages with experienced and capable service partners.

- **Renewable Sources and Grid Availability**

  The risk identified by the Company is lower generation on account of lower wind speed, and Grid failures. The Company continuously studies the Wind Resources Assessment with historical data from reliable sources and accordingly sizes the plant and the financial models for arriving at the right tariff for the available conditions. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

First Energy 8 Private Limited

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance.

Health and Safety

Across all its operational assets, sites and offices, the Company implements policies that covers Health and safety.

The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalization: - HSE digital software implemented for hazard reporting, at risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sandeep Mandke (DIN: 09619581) retires by rotation and being eligible offers, himself for re-appointment. The proposal for re-appointment forms part of the Notice of the Second AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Sumit Rathi was appointed as an Additional Director of the Company with effect from April 3, 2024, and his appointment was regularized on June 28, 2024.
- Mr. Rohit Javiya was appointed as the Company Secretary and Key Managerial Personnel (KMP) of the Company with effect from July 26, 2024.
- Mr. Venkatasubramanian was appointed as the Chief Executive Officer and Key Managerial Personnel of the Company with effect from July 26, 2024.
- Mr Shubham Jaju was appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from July 26, 2024. He resigned as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from September 20, 2024.
- Mr. Nitin Patil was appointed as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from March 19, 2025.

Board Meetings

During the year the Board met five times on May 02, 2024, June 05, 2024, July 26, 2024, November 22, 2024, March 19, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Wind and associated Renewable energy generation sources for commercial & industrial customers.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the Company is a subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing a safe and conducive work environment.

There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Auditors

Statutory Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five year from the conclusion of the 1st Annual General Meeting (AGM) till the conclusion of the 6th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Secretarial Audit

In accordance with the provisions of Section 204 of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ladda Bhutada & Associates, Company Secretaries, Pune, to undertake the secretarial audit of the Company for FY 2024-25. The Secretarial Audit Report for FY 2024-25 is attached as Annexure 1 to this Report.

Internal Audit

According to the provisions of Section 138 of the Companies Act 2013 read with Rule 13 of the Companies (Accounts) Rules, 2014 and other applicable provisions if any of the Companies Act, 2013; Mr. Satish Jayaram, Chartered Accountant has been appointed as an Internal Auditor of the Company by the Board in its meeting held on 26th July 2024.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

The State notified several draft regulation in the year (grant of connectivity, green open access, wind re-powering/refurbishment etc) with positive impacts/opportunities for business, supporting the captive open access market. The demand for captive open access in the state, continues to be robust.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
First Energy 8 Private Limited

Ravi Damaraju	**Sumit Rathi**
Director	Director
DIN: 09554649	DIN: 07727272

Pune, April 30, 2025

First Energy 8 Private Limited

Annexure 1

FORM NO. MR-3
SECRETARIAL AUDIT REPORT

For the Financial Year Ended March 31, 2025
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

The Members,

FIRST ENERGY 8 PRIVATE LIMITED

Regd. Office Address: 6th Floor, Office No. 601 Cello Platina, F. C. Road, Shivajinagar, Pune - 411005, Maharashtra, India.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. First Energy 8 Private Limited bearing CIN: U35105PN2023PTC223047 (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Report on Secretarial Records and Compliances made thereunder

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representation made by the Management we hereby report that in my opinion, the company has, during the audit period covering the financial year ended on March 31, 2025, complied with the statutory provisions listed hereunder and also that the Company has proper Board- processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

We have examined the books, papers, minute books, forms and returns filed on a test basis and other records maintained by the Company for the financial year ended on March 31, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made there under;

ii. The Securities Contracts (Regulation) Act, 1956, (SCRA) and the rules made thereunder; **Not applicable;**

iii. The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018, and the Regulations and Bye-laws framed thereunder; **Not applicable;**

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial borrowings; **Not applicable;**

v. The Company is not listed on any Stock Exchange in India hence the Acts, Regulations, Guidelines etc. related to SEBI, were **not applicable** to the Company.

vi. As per the management representation no other laws applicable except mentioned below specifically to the Company during the audit period:

(a) The Indian Contract Act, 1872

(b) The Income Tax, 1961

(c) The Goods and Service Tax Act, 2017

(d) The Electricity Act, 2003

(e) The Indian Stamp Act, 1899 and The Maharashtra Stamp Act, 1958

(f) The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Act, 2017 Read with The Maharashtra Shops and Establishments (Regulation of Employment and Conditions of Service) Rules, 2018.

(g) The Factories Act, 1948 and other allied State wise Factories Rules wherever the sites are located.

We have also examined compliance with the applicable clauses of the following:

(i) Secretarial Standards as issued and notified by The Institute of Company Secretaries of India relating to Board Meetings and General Meetings: During the Year ended March 31, 2025, the Company has complied with the applicable clauses of Secretarial Standard (SS-1 and SS-2) issued by the Institute of Company Secretaries of India and it was noted that the Company has complied with the same to the extent possible.

(ii) The Listing agreement entered into by the Company with BSE Limited and National Stock Exchange of India Limited and Securities and Exchange Board of India (Listing Obligations and Disclosures Requirements) Regulations, 2015; **Not applicable**

Based on the information received and records maintained, we further report that:

1. The Board of Directors of the Company has been duly constituted with proper balance of Directors and KMP, the changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

1.1. Mr. Rohit Amrutlal Javiya (PAN: AJJPJ6412H and Membership No.: ACS 74399) was appointed as a Company Secretary w.e.f. July 26, 2024.

1.2. Mr. Venkatasubramanian (PAN: AEWPV2260D) was appointed as CEO w.e.f. July 26, 2024.

1.3. Mr. Shubham Anil Jaju (PAN: BCGPJ2207K) was appointed as CFO w.e.f. July 26, 2024 and has resigned from the post of CFO w.e.f. September 20, 2024.

1.4. Mr. Sumit Prafulla Rathi bearing DIN: 07727272 was appointed as an Additional Director as on April 03, 2024 and he was regularized as director w.e.f. June 28, 2024.

1.5. Mr. Mitish Somani bearing DIN: 01853530 has resigned from the post of the Director w.e.f. April 05, 2024.

1.6. Mr. Nitin Bhagvat Patil (PAN: AZBPP6928Q) was appointed as CFO w.e.f. March 19, 2025.

2. Adequate notice(s) have been given to all directors to schedule the Board Meetings and Committee Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance and, in case of shorter notice, compliance as required under the Act has been made by the Company and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

3. All the decisions in the board meetings were carried through by majority while there were no dissenting member's views and hence not captured and recorded as part of the minutes.

We further report that there are adequate systems and process in the Company commensurate with the size and operations of the Company to

monitor and ensure compliances with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following events /actions having major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards & guidelines, if any, as may be referred to above:

i. The paid-up share capital of the Company was increased from ₹ 65, 35, 00,000/- (Rupees Sixty Five Crores Thirty Five Lakhs only) to ₹ 77, 36, 00,000/- (Rupees Seventy Seven Crores Thirty Six Lakhs only), with an addition of ₹ 12, 00, 00,000/- (Rupees Twelve Crores only) on 3rd June, 2024 by way of allotment on rights basis.

ii. Pursuant to the provisions of the section 42 and section 62(1)(c) of the Companies Act, 2013 the Company intended to offer, issue, and allot upto ₹ 5,45,10,000/- (Rupees five crore forty-five lakhs only) equity shares at ₹ 10/- each on a preferential basis through private placement to the proposed allottees vide board resolution dated June 5, 2024 and special resolution at annual general meeting held on June 28, 2024. Subsequently, the Company filed the special resolution in e-form MGT-14 with the Registrar of Companies, Pune. Eventually the said offer lapsed and, therefore, no allotment was made to the proposed allottees.

iii. The Company appointed Mr. Rohit Amrutlal Javiya (PAN: AJJPJ6412H and Membership No.: ACS 74399) as the Whole-time Company Secretary (CS) as Key Managerial Personnel (KMP) w.e.f. July 26, 2024 within a period of six month from the date of applicability for appointment of the CS pursuant to the provisions of the Companies Act 2013.

iv. The Company appointed Mr. Venkatasubramanian (PAN: AEWPV2260D) as Chief Executive Officer (CEO) and Key Managerial Personnel (KMP) w.e.f. July 26, 2024 within a period of six month from the date of applicability for appointment of the CEO pursuant to the provisions of the Companies Act 2013.

v. The Company appointed Mr. Shubham Anil Jaju (PAN: BCGPJ2207K) as Chief Financial Officer (CFO) w.e.f. July 26, 2024 within a period of six month from the date of applicability for appointment of the CFO pursuant to the provisions of the Companies Act 2013. Further he tendered his resignation w.e.f. September 20, 2024. Subsequently, the Company appointed Mr. Nitin Bhagvat Patil (PAN: AZBPP6928Q) as CFO w.e.f. March 19, 2025.

vi. The Company being wholly owned subsidiary of First Energy Private Limited is exempted from complying the provisions related to the appointment of at least one Independent Director and the constitution of an Audit Committee and a Nomination and Remuneration Committee pursuant to the Clause 2 of Rule 4 of the Companies (Appointment and Qualification of Directors) Rules, 2014 framed under the Companies Act 2013.

vii. In line with the provisions of Companies Act, 2013, the Company has appointed M/s. Ladda Bhutada & Associates, Company Secretaries Firm as Secretarial Auditor and Mr. Satish Jayaram, Chartered Accountant as an Internal Auditor of the Company in the Board Meeting held on July 26, 2024.

For Ladda Bhutada & Associates,
Company Secretaries,
ICSI Unique Code: P2009MH019500
Peer Review Cert. No.: 3288/2023

CS Pramodkumar R. Ladda
Partner
FCS: 7326; COP No.: 8006
ICSI UDIN: F007326G000489601

Date: May 29, 2025
Place: Pune, Bharat

Note: This report is to be read with Annexure A, which forms an integral part of this report.

First Energy 8 Private Limited

Annexure-A'

To the Secretarial Audit Report

For the financial year ended 31st March, 2025

To,
The Members,
FIRST ENERGY 8 PRIVATE LIMITED
Regd. Office Address: 6th Floor, Office No. 601 Cello Platina,
F. C. Road, Shivajinagar, Pune - 411005, Maharashtra, India.

Our Secretarial Audit report for the financial year ending March 31, 2025, of even date is to be read along with this letter.

A. Management's Responsibility

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

B. Auditor's Responsibility

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to Secretarial Compliances.

3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.

4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

5. We have followed the audit practice and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed provide a reasonable basis for our opinion.

C. Disclaimer

6. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of Management. Our examination was limited to the verification of procedures on test basis.

7. The Secretarial Audit report is neither an assurance as to the future liability of the Company nor of the efficiency of effectiveness with which the management has conducted the affairs of the Company.

8. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

For Ladda Bhutada & Associates,
Company Secretaries,
ICSI Unique Code: P2009MH019500
Peer Review Cert. No.: 3288/2023

CS Pramodkumar R. Ladda
Partner
Date: May 29, 2025 FCS: 7326; COP No.: 8006
Place: Pune, Bharat ICSI UDIN: F007326G000489601

Note: This report is to be read with Annexure A, which forms an integral part of this report.

INDEPENDENT AUDITOR'S REPORT

To the Members of First Energy 8 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 8 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

12. As required by Section 143(3) of the Act, we report that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 does not have any pending litigations which would impact its financial position.

ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 29(viii) to the financial statements, 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, as disclosed in the Note 29(viii) to the financial statements, 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; and

(c) Based on such audit procedures that we 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 or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

13. The Company has not paid any remuneration to its directors during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJD2127
Place: Pune
Date: May 07, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of First Energy 8 Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 8 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJD2127
Place: Pune
Date: May 07, 2025

First Energy 8 Private Limited

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of First Energy 8 Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The terms of sanction do not stipulate filing of quarterly returns or statements with such banks, and accordingly, the question of our commenting on whether the returns or statements are in agreement with the unaudited books of account of the Company, does not arise.

iii. (a) The Company has made investments in 3 mutual fund schemes during the year.

The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3 (iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made are not prejudicial to the Company's interest.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax, and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has utilised funds raised on short-term basis aggregating Rs 33,777.65 lakhs for long-term purposes.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (xi)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the

Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out in a phased manner. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has incurred cash losses of Rs. 19.63 lakhs in the financial year and of Rs. 21.62 lakhs in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For **Price Waterhouse Chartered Accountants LLP**
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJD2127
Place: Pune
Date: May 07, 2025

First Energy 8 Private Limited

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	3	167.09	-
Capital work-in-progress	3	26,919.88	325.25
Deferred tax assets (net)	4	-	-
Income tax assets (net)	5	1.09	0.60
Other non-current assets	6(a)	14,257.65	5,240.25
Total Non-current assets		**41,345.71**	**5,566.10**
Current assets			
Financial assets			
(a) Investments	7	130.25	-
(b) Cash and cash equivalents	8	5.87	1,084.84
(c) Other financial assets	9	2.60	5.17
Other current assets	6(b)	2,501.57	12.60
Total current assets		**2,640.29**	**1,102.61**
Total Assets		**43,986.00**	**6,668.71**
Equity and Liabilities			
Equity			
Equity share capital	10	7,736.00	6,536.00
Other equity	11	(167.94)	(148.31)
Total equity		**7,568.06**	**6,387.69**
Liabilities			
Current liabilities			
Financial liabilities			
(a) Borrowings	12	34,692.60	-
(b) Trade payables	13		
i) total outstanding dues of micro and small enterprises		0.63	-
ii) total outstanding dues of creditors other than micro and small enterprises		2.52	12.90
(c) Other financial liabilities	14	1,657.00	267.49
Other current liabilities	15	65.19	0.63
Total current liabilities		**36,417.94**	**281.02**
Total equity and liabilities		**43,986.00**	**6,668.71**

The above balance sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Other Income	16	-	5.96
Total Income		**-**	**5.96**
Expenses			
Finance costs	17	-	-
Depreciation expense	18	-	-
Other expenses	19	19.63	27.58
Total Expenses		**19.63**	**27.58**
Loss before tax		**(19.63)**	**(21.62)**
Tax expense		**-**	**-**
Loss for the year/ period		**(19.63)**	**(21.62)**
Other comprehensive income		-	-
Total comprehensive income for the year/ period		**(19.63)**	**(21.62)**
Loss per equity share			
Basic & Diluted [nominal value per share 10]	20	(0.03)	(0.12)

The above statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 8 Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Nitin Patil
Chief Financial Officer

Venkatasubramanian
Chief Executive Officer

Rohit Javiya
Company Secretary

Place : Pune
Date: April 30, 2025

Statement of cash flows for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Cash flows from operating activities**		
	Loss before tax	(19.63)	(21.62)
	Adjustment for		
	Interest income from financial assets at amortised cost	-	(5.96)
	Working capital adjustments		
	(Increase) in other financial assets	(2.50)	(0.10)
	(Increase) in other assets	(2,488.97)	(12.60)
	Increase/(decrease) in trade payables	(9.75)	12.90
	Increase/(decrease) in other financial liabilities	(7.27)	7.27
	Increase in other liabilities	64.56	0.63
	Cash used in operations	**(2,463.56)**	**(19.48)**
	Income taxes paid	(0.49)	(0.60)
	Net cash used in operating activities	**(2,464.05)**	**(20.08)**
B)	**Cash flows from investing activities**		
	Payment for property, plant and equipment	(32,721.02)	(5,431.97)
	Investment in mutual funds	(459.98)	-
	Proceeds from sale of mutual funds	333.01	-
	Interest received	8.83	0.89
	Net cash used in investing activities	**(32,839.16)**	**(5,431.08)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	38,063.68	-
	Repayment of borrowing	(3,371.08)	-
	Proceeds from issue of equity shares	1,200.00	6,536.00
	Cost related to issue of own equity instruments	(126.69)	-
	Interest paid and capitalised in property, plant and equipment	(1,541.67)	-
	Net cash flows from financing activities	**34,224.24**	**6,536.00**
	Net decrease in cash and cash equivalents	**(1,078.97)**	**1,084.84**
	Cash and cash equivalents at the beginning of the year/ period	1,084.84	-
	Cash and cash equivalents at the end of the year/ period	**5.87**	**1,084.84**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025	March 31, 2024
Cash and cash equivalents (refer note 8)	5.87	1,084.84
Balances as per statement of cash flows	**5.87**	**1,084.84**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer note 12 for net debt reconciliation.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 8 Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Nitin Patil
Chief Financial Officer

Venkatasubramanian
Chief Executive Officer

Rohit Javiya
Company Secretary

Place : Pune
Date: April 30, 2025

First Energy 8 Private Limited

Statement of changes in equity for the year ended March 31, 2025
(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at August 10, 2023	**-**
Issue during the period	6,536.00
As at March 31, 2024	**6,536.00**
Issue during the year	1,200.00
As at March 31, 2025	**7,736.00**

B Other Equity

Particulars	Retained Earnings	Total
As at August 10, 2023	-	-
Loss for the period	(21.62)	(21.62)
Other comprehensive income for the period	-	-
Total comprehensive income for the period	**(21.62)**	**(21.62)**
Cost related to issue of own equity instruments	(126.69)	(126.69)
As at March 31, 2024	**(148.31)**	**(148.31)**
Loss for the year	(19.63)	(19.63)
Total comprehensive income for the year	**(19.63)**	**(19.63)**
As at March 31, 2025	**(167.94)**	**(167.94)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 8 Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Nitin Patil
Chief Financial Officer

Venkatasubramanian
Chief Executive Officer

Rohit Javiya
Company Secretary

Place : Pune
Date: April 30, 2025

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

First Energy 8 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on August 10, 2023 under the provisions of Indian Companies Act, 2013 is a subsidiary of First Energy Private Limited. The Company is primarily engaged in business of producing wind power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 30, 2025. The CIN of the Company is U35105PN2023PTC223047.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

2.3. Summary of other accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

b. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss. There are currently no debt securities which are carried at FVTPL.

iv. Equity investments

All equity investments in scope of Ind AS 109 - "Financial Instruments", are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable. Currently, for all equity instruments, subsequent changes in the fair value is recognized in Statement of Profit and Loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized

when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Property, plant and equipment (PPE)

All items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

e. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

f. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

h. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

i. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

k. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

l. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

m. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

n. Rounding of amounts:

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

First Energy 8 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

2.4. Significant accounting judgments, 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 revenue, expenses, assets and liabilities, and the accompanying disclosures including contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The 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 also described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions 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.

Judgments and assumptions

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

Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

Note 3 : Property, Plant and Equipment and capital work-in-progress

Particulars	Land Freehold	Buildings*	Total	Capital work-in-progress
Gross carrying amount:				
As at March 31, 2023	**-**	**-**	**-**	-
Additions	-	-	-	325.25
Deductions	-	-	-	-
As at March 31, 2024	**-**	**-**	**-**	**325.25**
Additions	160.06	7.38	167.44	26,594.63
Deductions	-	-	-	-
As at March 31, 2025	**160.06**	**7.38**	**167.44**	**26,919.88**
Accumulated Depreciation				
As at March 31, 2023	**-**	**-**	**-**	**-**
For the period	-	-	-	-
Deductions	-	-	-	-
As at March 31, 2024	**-**	**-**	**-**	**-**
For the year	-	0.35	0.35	-
Deductions	-	-	-	-
As at March 31, 2025	**-**	**0.35**	**0.35**	**-**
Net carrying amount:				
As at March 31, 2024	**-**	**-**	**-**	**325.25**
As at March 31, 2025	**160.06**	**7.03**	**167.09**	**26,919.88**

*Temporary structure

i) Capital work-in-progress comprises cost of renewable energy plant under construction.

Ageing of capital work-in-progress

Particulars	As at March 31, 2025				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress					
58.8 MW Wind Project	26594.63	325.25	-	-	26,919.88
Total	**26594.63**	**325.25**	**-**	**-**	**26,919.88**

The project, initially scheduled for completion in April 2024, is now overdue and is expected to be finalized by October 2025

Particulars	As at March 31, 2024				Total
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress					
58.8 MW Wind Project	325.25	-	-	-	325.25
Total	**325.25**	**-**	**-**	**-**	**325.25**

Capitalization of expenses

During the year/period, the Company has capitalized the following expenses of revenue nature to the cost of Capital work-in-progress. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

Particulars	As at March 31, 2025	As at March 31, 2024
Reimbursement of employee expenses	-	298.64
Interest expenses	1,576.31	0.02
Depreciation expenses	0.35	15.85
Reimbursement of other expenses	-	2.48
Total	**1,576.66**	**316.99**

* Reimbursement of interest and depreciation in previous year included expenses pertaining to rental property for which right-of-use assets and lease liabilities were recognised.

4. Deferred tax assets (net)

The company has tax losses of Rs 33.22 lakhs(March 31, 2024 Rs. 21.62 lakh) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of the losses as they may not be used to offset taxable profit elsewhere in the company and there are no other tax planning opportunities or other evidences of recoverability in the near future. If the company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs 8.36 lakh (March 31, 2024 Rs 5.44 lakhs).

	Expiry date	As at March 31, 2025		As at March 31, 2024	
		Amount	Tax impact	Amount	Tax impact
Tax losses	FY 2031-32	21.62	5.44	21.62	5.44
Tax losses	FY 2032-33	11.60	2.92	-	-
Total		**33.22**	**8.36**	**21.62**	**5.44**

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Loss before tax	**(19.63)**	**(21.62)**
Income tax rate	25.17%	25.17%
Expected tax expense / (credit)	(4.94)	(5.44)
Deferred tax assets not recognised on losses	4.94	5.44
Total tax expense / (credit)	**-**	**-**

5. Income tax assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	0.60	-
Add: Taxes paid during the period	0.49	0.60
Less: Current tax payable for the period	-	-
Total	**1.09**	**0.60**

6(a) Other non-current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	14,257.65	5240.25
Total	**14,257.65**	**5,240.25**

There were no advances due by directors or other officers of the company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

6(b) Other current assets

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	78.81	12.60
Balance with Government authorities	2,422.46	-
Others	0.30	-
Total	**2,501.57**	**12.60**

7. Current investments

Particulars	Number of units		Amount	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
Investment at fair value through Profit and Loss				
Investments in Mutual Funds:				
Nippon India Overnight Fund - Growth- Regular	95,556.08	-	130.25	-
Total current investments	**95,556.08**	-	**130.25**	**-**
Aggregate value of quoted investments and market value thereof			-	-
Aggregate value of unquoted investments			130.25	-
Aggregate amount of impairment in the value of investments			-	-

8. Cash and cash equivalents

Particulars	As at March 31, 2025	As at March 31, 2024
Balance with banks		
-in current accounts	5.87	14.84
-deposits with original maturity of less than three months	-	1070.00
Total	**5.87**	**1,084.84**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period and prior period.

9. Other financial assets (current)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	2.60	0.10
Interest accrued but not due	-	5.07
Total	**2.60**	**5.17**

10. Equity Share capital

a) Authorised equity share capital

Particulars	No. of shares	Amount
As at August 10, 2023		
Increase during the period	13,20,00,000	13,200.00
As at March 31, 2024	**13,20,00,000**	**13,200.00**
Increase during the year	-	-
As at March 31, 2025	**13,20,00,000**	**13,200.00**

b) Issued, Subscribed and Paid up share capital

Particulars	No. of shares	Amount
As at August 10, 2023		
Changes during the period	6,53,60,000	6,536.00
As at March 31, 2024	**6,53,60,000**	**6,536.00**
Changes during the year	1,20,00,000	1,200.00
As at March 31, 2025	**7,73,60,000**	**7,736.00**

c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Equity shares held by holding company

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Private Limited, India (including 6 shares held by nominee shareholders)	7,73,60,000	7,736.00	6,53,60,000	6,536.00
Equity shares of Rs 10 each				

e) Details shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
First Energy Private Limited, India		
% Holding	100%	100%
No. of shares	7,73,60,000	6,53,60,000

First Energy 8 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

f) Shares held by promoters at the end of the period

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited	7,73,60,000	100.00%	6,53,60,000	100%	0.00%

g) Aggregate number of shares issued for consideration other than cash :

There are no shares issued for consideration other than cash or by way of bonus shares during the current or previous period.

11. Other equity

Particulars	As at March 31, 2025	As at March 31, 2024
Retained Earnings		
Opening Balance	(148.31)	-
Add : Loss for the year/period	(19.63)	(21.62)
	(167.94)	**(21.62)**
Cost related to issue of own equity instruments	-	(126.69)
Total	**(167.94)**	**(148.31)**

12. Current borrowings

Particulars	As at March 31, 2025	As at March 31, 2024
Secured loans		
Buyers' line of credit	9,957.44	-
Unsecured loans		
From holding company	24,735.16	-
Total	**34,692.60**	**-**
Aggregate secured borrowings	9,957.44	-
Aggregate unsecured borrowings	24,735.16	-

(a) Loans are measured at amortised cost.

Particulars	Date of maturity	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from holding company	Sept 27, 2025	Repayment in one or multiple tranches within 180 Days	8.95%	24,735.16	-
Buyers' line of credit	Various	Repayable within 84 days from date of shipment	7.85%	8,400.89	-
Buyers' line of credit	Various	Repayable within 84 days from date of shipment	7.83%	906.76	-
Buyers' line of credit	Various	Repayable within 84 days from date of shipment	7.80%	649.79	-

During the year, the Company has used all the borrowings for specific purpose for which they have been obtained.

Details of security: Buyers' lines of credit are secured by way of a charge on materials procured against these transactions which is included in capital work-in-progess amounting to Rs. 9,957.44 lakhs.

Net debt reconciliation

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	(34,692.60)	-
Interest accrued	(34.64)	-
Cash and cash equivalent	5.87	1,084.84
Net debt	**(34,721.37)**	**1,084.84**

Particulars	Cash & cash equivalents	Liabilities from financing activities	Total
		Borrowings including accrued interest	
Net debt as at August 1, 2023	**-**	**-**	**-**
Cash flows	1,084.84	-	1,084.84
Net debt as at March 31, 2024	**1,084.84**	**-**	**1,084.84**
Cash flows	(1,078.97)	(34,692.60)	(35,771.57)
Interest expenses capitalized	-	(1,576.31)	(1,576.31)
Interest expenses paid	-	1,541.67	1,541.67
Net debt as at March 31, 2025	**5.87**	**(34,727.24)**	**(34,721.37)**

13. Trade payables

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer note 28)	0.63	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Related parties (refer note 22)	0.04	12.90
ii) Others	2.48	-
Total	**3.15**	**12.90**

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and Small enterprises	0.63	-	-	-	-	-	0.63
(ii) Others	1.75	0.17	0.60	-	-	-	2.52
Total	**2.38**	**0.17**	**0.60**	**-**	**-**	**-**	**3.15**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and Small enterprises	-	-	-	-	-	-	-
(ii) Others	12.90	-	-	-	-	-	12.90
Total	**12.90**	**-**	**-**	**-**	**-**	**-**	**12.90**

Notes to the Financial Statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

14. Other financial liabilities (current)

Particulars	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipment	1,622.36	133.53
Interest accrued but not due on loans	34.64	-
Other payables	-	133.96
Total	**1,657.00**	**267.49**

15. Other current liabilities

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	65.19	0.63
Total	**65.19**	**0.63**

16. Other income

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from financial assets at amortised cost	-	5.96
Total	**-**	**5.96**

17. Finance Costs

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expense on financial liabilities measured at amortised cost	1,576.31	-
Less: Capitalized during the period	(1,576.31)	-
Total	**-**	**-**

Since the borrowing were specifically for the purpose of obtaining and construction of qualifying assets, borrowing cost has been capitalised at actual.

18. Depreciation Expense

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	0.35	-
Less: Capitalized during the year	(0.35)	
Total	**-**	**-**

19. Other expenses

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Rates and taxes	0.32	0.17
Rent paid	0.18	-
Legal and professional fees	5.22	2.61
Auditor's remuneration (Refer note below)	1.77	1.77
Management fees	-	22.40
Miscellaneous expenses	12.14	0.63
Total	**19.63**	**27.58**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current and previous period.

Note: Auditor's remuneration

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory audit fees (Including GST)	1.77	1.77
Total	**1.77**	**1.77**

20. Loss per share

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Net loss attributable to the equity shareholders of the Company	(19.63)	(21.62)
Weighted average number of equity shares of Rs.10/- each	7,52,88,767	1,78,07,447
Basic and Diluted Loss per share (in Rs)	**(0.03)**	**(0.12)**

21. Contingent liabilities and commitments

Contingent liabilities

There are no liabilities of contingent nature.

Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Rs. 9,554.03 lakhs. (March 31, 2024 Rs. 23,676.75 lakhs)

22. Related party disclosures

A Immediate holding company

First Energy Private Limited

B Ultimate holding company

RDA Holding Private Limited

C Intermediate holding company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Key Management Personnel:

1 Mr. Ravi Damaraju - Director

2 Mr. Mitish Somani - Director (till April 5, 2024)

3 Mr. Sandeep Mandke - Director

4 Mr. Sumit Rathi- Director (w.e.f. April 3, 2024)

5 Mr. Nitin Patil -Chief Financial Officer (w.e.f. March 19, 2025)

6 Mr. Venkatasubramanian - Chief Executive Officer (w.e.f. July 26, 2024)

7 Mr. Rohit Javiya - Company Secretary(w.e.f. July 26, 2024)

E Transactions with Related parties:

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
With Immediate Holding Company		
Subscription for equity shares by holding company	1,200.00	6,536.00
Interest on borrowings (capitalised)	1,262.54	-
Loan taken	28,055.16	-
Loan repaid	3,320.00	-
EPC project management fees	676.27	466.07

F Outstanding balances

Particulars	As at March 31, 2025	As at March 31, 2024
Immediate Holding Company		
Borrowings	24,735.16	-
Interest accrued but not due	34.64	-
Trade payables	-	12.90
Payable for property, plant & equipment	526.47	123.87
Other Payable	0.04	126.69

G Terms and conditions for outstanding balances

All outstanding balances are unsecured, interest free except for borrowings and payable in cash. For details of interest on borrowings, refer note 12.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

23. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings	34,692.60	-
Trade payables	3.15	12.90
Other financial liabilities	1,657.00	267.49
Total	**36,352.75**	**280.39**
Current liabilities	36,352.75	280.39
Total	**36,352.75**	**280.39**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	5.87	1,084.84
Other financial assets	2.60	5.17
Total	**8.47**	**1,090.01**
Current assets	8.47	1,090.01
Non-current assets	-	-
Total	**8.47**	**1,090.01**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

Particulars	As at March 31, 2025	As at March 31, 2024
Financial assets		
Investments		
Mutual funds	130.25	-
Total financial assets (Current)	**130.25**	**-**

Fair value of market linked mutual fund is determined using Net Asset Value (NAV) report issued by mutual fund house.

Fair value hierarchy

The following table provides the fair value measurement hierarchy of the Company's assets.

Quantitative disclosures fair value measurement hierarchy for assets as at March 31, 2025

Particulars	Date of valuation	Level 1	Level 2	Level 3
Financial Assets				
Investments				
Mutual funds	March 31, 2025	-	130.25	-

Level 1: level 1 hierarchy includes financial instruments measured using quoted prices.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

24. Financial risk management

The Company's principal financial liabilities comprises borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents, other receivables and investments.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The management of the Company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The Management of the Company reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a) Interest rate risk

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

The Company does not have any exposure to interest rate changes at the end of the reporting period, as there is no borrowings with variable rates.

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the period and hence not exposed to any foreign currency risk.

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

c Price risk

'The Company's investments are susceptible to market price risk arising from uncertainties about future values of the investment securities. The securities are unquoted. The company manages the price risk through placing limits on individual and total equity/ mutual fund investments. Reports on the investment portfolio are submitted to the management on a regular basis. The Company is not significantly exposed to such risks.

II 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 investing activities, including deposits with banks.

Credit risk from balances with banks and financial institutions is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties mitigate financial loss through counterparty's potential failure to make payments.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below analyse the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	34,692.60	-	-	-
Trade Payables	3.15	-	-	-
Other financial liabilities	1,657.00	-	-	-

March 31, 2024

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	-	-	-	-
Trade Payables	12.90	-	-	-
Other financial liabilities	267.49	-	-	-

25. Analytical ratios

Sr .No.	Particulars	Numerator	Denominator	"As at March 31, 2025"	"As at March 31, 2024"	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current Assets	Current Liabilities	0.07	3.92	-98%	Refer note (i) below
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	458.41%	Not Applicable	Not Applicable	Refer note (iii) below
3	Return on Equity	Net loss after taxes	Shareholder's Equity	-0.26%	-0.34%	-23%	Not applicable
4	Return on investment	Investment Income	Average investment	1.17%	0.87%	35%	Refer note (iv) below
5	Trade payables turnover Ratio	Net Credit Purchases	Average trade payable	2.45	2.14	14%	Not applicable
6	Return on Capital employed	Earning before interest and taxes	Capital Employed	-0.05%	-0.34%	-86%	Refer note (i) below

Capital employed = Tangible Net worth + total debt
Average = (Opening + Closing)/2

Note:
i) Short-term borrowings availed by the Company during the year affecting debt to equity ratio and current ratio.
ii) Share capital introduced during the year affecting Return on capital employed
iii) There were no debt during the comparative period. Hence, debt equity ratio is not calculated for that period
iv) Long duration investments made during the period resulted in higher yield..

26. Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings. Capital represents equity attributable to equity holders of the Company.

	March 31, 2025
Borrowings including interest accrued	34,727.24
Less: Cash and cash equivalents	5.87
Net debt	**34,721.37**
Equity	7,568.06
Net Debt to Equity	**4.59**

There was no debt in the comparative period, so the net debt to equity ratio is not calculated for that period.

27. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence, the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

First Energy 8 Private Limited

Notes to the Financial Statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

28. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025	As at March 31, 2024
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
- Principal amount dues to micro and small enterprises	0.63	-
- Interest due thereon	-	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year.		
The amount of payment made to the supplier beyond the appointed day during the year	16.47	0.19
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.25	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.25	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.25	-

*Amount is below the rounding off norm adopted by the Company

29. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current year and comparative period.

(iv) There is no income surrendered or disclosed as income during the current year or comparative period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current year or comparative period.

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

30. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with regulations.

31. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

32. Company was incorporated on August 10, 2023. Therefore comparative amounts are for the period August 10, 2023 to March 31, 2024.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 8 Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Nitin Patil
Chief Financial Officer

Venkatasubramanian
Chief Executive Officer

Rohit Javiya
Company Secretary

Place : Pune
Date: April 30, 2025

First Energy Nine Private Limited

Board of Directors
Sandeep Mandke
Sumit Rathi
Anjali Lothe

Corporate Office
Unit No. 601, 6th Floor,
Cello Platina, Fergusson College Road,
Model Colony, Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Bankers
ICICI Bank Limited

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure in presenting the First Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	**February 01, 2024, to March 31, 2025**
Total income	80.74
Profit/ (Loss) before finance cost, depreciation, and tax	57.74
Finance Cost	29.10
Profit/ (Loss) before depreciation and tax	35.89
Depreciation and impairment	21.85
Profit/(Loss) before tax	6.79
Provision for taxation (incl. deferred tax)	3.03
Items that are not to be reclassified to profit or loss	-
Profit/(Loss) after tax	3.76

State of Company's Affairs

During the year, the Company has commissioned a Solar project with a plant capacity of 4MWp during the year.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

In a view of accumulated losses, the directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves.

During the year, the Company has not transferred any amount to the General Reserve.

Share Capital

Since the incorporation, there were changes in the capital structure. The Company has increased its authorized share capital from Rs. 1,00,000/- (Rupees One Lakh only) consisting of 10,000 (Ten Thousand) equity shares of Rs. 10/- each to Rs. 5,00,00,000 (Rupees Five Crores only) consisting of 50,00,000 (Fifty Lakhs) Equity Shares of Rs. 10 each. The increase in share capital was approved by the members of the Company in their Extra-Ordinary General Meeting held on March 18, 2024.

The paid-up share capital of the company is Rs. 4,78,00,000 divided into Equity Shares of ` 10 each. During the year under review, the company has made further issue of shares to the existing shareholders and captive users on private placement basis. Details of the further issue of shares are as follows.

Date of Issue	Number of Shares	Nominal value per share (Rs.)	Amount paid up (Rs.)
28/05/2024	47,70,000	10	4,77,00,000

The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements. During the year, the Company did not give any guarantee.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors, or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its Renewable Energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involves risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The major risk identified by the Company is generation loss due to lower radiation, and Grid failures. The Company continuously studies the radiation levels with historical data from reliable sources. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using water cleaning modules at regular frequency.

Health and Safety

Across all its operational assets, sites and offices, the company implements policies that covers Health and safety.

The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalisation: - HSE digital software implemented for hazard reporting, at risk behaviour reporting

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors & Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Ms. Anjali Lothe (DIN:10134848) retires by rotation and being eligible offers, herself for re-appointment. The proposal for re-appointment forms part of the Notice of the First AGM of the Company.

During the year, Mr. Sumit Rathi (DIN: 07727272) was appointed as an Additional Director of the Company w.e.f. July 19, 2024 and Mr. Chandrasekar Sureshnathan (DIN: 08180321) resigned as a Director of the Company w.e.f. July 19, 2024.

Board Meetings

During the year, the Board met four times on April 04, 2024, May 10, 2024, September 05, 2024, and January 02, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the profit of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Financial Statements

Pursuant to Section 2(41) of the Companies Act, 2013, the financial year of the companies incorporated after the 1st day of January of a year shall end on the 31st day of March of the following year, in respect whereof the financial statement of the company is made up. Accordingly, the Company has prepared the financial statements from the date of incorporation to March 31, 2025 as per Schedule III to the Companies Act, 2013, as amended from time to time.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar and associated Renewable energy generation sources for commercial & industrial customers.

As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning. In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

In the case of Technology absorption, the Company used higher rated (>540Wp) Monoperc PV modules with better efficiency, a structure designed to string type Solar Inverters designed for outdoor installation.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the Company is a subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the company and its future operations.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing a safe and conducive work environment for its employees and has complied with provisions relating to constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013.

There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of a onetime settlement with any Bank or Financial Institution.

Statutory Auditors

The Shareholders in their Extra- Ordinary General Meeting held on April 10, 2024, has appointed M/s Price Waterhouse Chartered Accountants LLP (FRN. 012754N/N500016) as the Statutory Auditors of the Company for FY 2024-25 until the conclusion of 1st Annual General Meeting to be held in FY 2025-26.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

a. The Grid tariffs for next FY 2025-26 was proposed by the state distribution company. Proposed changes included solar hour discounts and reduced banking benefits, which if implemented, would have led to reduced captive arbitrage for the Company's customers. The Holding Company represented its objections on the proposal, to the state commission. The final provisions (under consideration with state commission) have reduced solar hours discounts, retention of banking facility and a request to institutionalize battery capacities for solar open access projects in the state, thereby having positive impact to business.

b. The State energy department-initiated process for formulating state's Integrated Energy Policy. The Holding Company is part of the engagement and has tabled suggestions/policy recommendations for captive open access projects, and battery projects in the state.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
First Energy Nine Private Limited

Anjali Lothe	**Sumit Rathi**
Director	Director
DIN: 10134848	DIN - 07727272

Pune, April 30, 2025

First Energy Nine Private Limited

Independent auditor's report

To the Members of First Energy Nine Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy Nine Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from February 1, 2024 to March 31, 2025, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of profit and other comprehensive income), changes in equity and its cash flows for the period then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

11. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure B a

statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

12. As required by Section 143(3) of the Act, we report that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 does not have any pending litigations which would impact its financial position.

ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended March 31, 2025.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 30(viii) to the financial statements, 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, as disclosed in the Note 30(viii) to the financial statements, 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; and

(c) Based on such audit procedures that we 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 or paid any dividend during the period.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the period for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

13. The Company has not paid any remuneration to its directors during the period. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQF9853
Place: Pune
Date: May 7, 2025

First Energy Nine Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of First Energy Nine Private Limited on the financial statements for the period ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy Nine Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQF9853
Place: Pune
Date: May 7, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of First Energy Nine Private Limited on the financial statements as of and for the period ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the period and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee), as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets). Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the period, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. (a) The Company has made investment in 1 mutual fund scheme during the period.

The Company has not granted secured/unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3 (iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

(b) In respect of the aforesaid investments, the terms and conditions under which such investments were made is not prejudicial to the Company's interest.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax, and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has utilised funds raised on short-term basis aggregating Rs. 966.26 lakhs for long-term purposes.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the period. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) The Company has made a private placement of shares during the period, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the

Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the period. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year. The current financial year being the first period of incorporation of the Company, reporting under Clause (xvii) to the extent it relates to the immediately preceding financial year, is not applicable to the Company.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQF9853
Place: Pune
Date: May 7, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025
ASSETS		
Non-current assets		
Property, plant and equipment	3(a)	1,425.34
Right-of-use assets	3(b)	68.56
Financial assets		
(a) Other financial assets	4	7.71
Income tax assets (net)	5	0.12
Total non-current assets		**1,501.73**
Current assets		
Financial assets		
(a) Trade receivables	6	32.35
(b) Cash and cash equivalents	7	58.18
Other current assets	8	1.46
Total current assets		**91.99**
Total Assets		**1,593.72**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	9	478.00
Other equity	10	(2.28)
Total Equity		**475.72**
Non-current liabilities		
Financial liabilities		
(a) Lease liabilities	22	56.72
Deferred tax liabilities (net)	11	3.03
Total non-current liabilities		**59.75**
Current liabilities		
Financial liabilities		
(a) Borrowings	12	917.00
(b) Lease liabilities	22	10.83
(c) Trade payables	13	
i) total outstanding dues of micro and small enterprises		1.96
ii) total outstanding dues of creditors other than micro and small enterprises		8.05
(d) Other financial liabilities	14	117.99
Other current liabilities	15	2.42
Total current liabilities		**1,058.25**
Total liabilities		**1,118.00**
Total equity and liabilities		**1,593.72**

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

Statement of profit and loss for the period February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	February 1, 2024 to March 31, 2025
Income		
Revenue from operations	16	80.74
Total Income		**80.74**
Expenses		
Finance costs	17	29.10
Depreciation expense	18	21.85
Other expenses	19	23.00
Total expenses		**73.95**
Profit before tax		**6.79**
Tax expense		**3.03**
Current tax	11	-
Deferred tax	11	3.03
Profit for the period		**3.76**
Other comprehensive income		**-**
Total comprehensive income for the period		**3.76**
Earnings per equity share		
Basic & Diluted [nominal value per share ₹ 10]	20	0.11

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of First Energy Nine Private Limited

Anjali Lothe
Director
DIN : 10134848

Sumit Rathi
Director
DIN : 07727272

Place : Pune
Date : April 30, 2025

First Energy Nine Private Limited

Statement of Cash flows for the period February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	February 1, 2024 to March 31, 2025
A)	**Cash flows from operating activities**	
	Profit before tax	6.79
	Adjustments for:	
	Depreciation expense	21.85
	Finance costs	29.10
	Working capital adjustments	
	Increase in other financial assets	(7.71)
	Increase in other assets	(1.46)
	Increase in trade receivables	(32.35)
	Increase in trade payables	10.01
	Increase in other financial liabilities	6.04
	Increase in other liabilities	2.42
	Cash generated from operations	**34.69**
	Income taxes paid	(0.12)
	Net cash generated from operating activities	**34.57**
B)	**Cash flows from investing activities**	
	Payments for property, plant and equipment	(1,354.09)
	Interest received	0.44
	Investment in mutual funds	(299.99)
	Proceeds from sale of mutual funds	301.60
	Initial direct cost pertaining to right-of-use assets	(5.22)
	Net cash used in investing activities	**(1,357.26)**
C)	**Cash flows from financing activities**	
	Proceeds from borrowings	917.00
	Proceeds from issue of equity shares	478.00
	Cost related to issue of own equity instruments	(6.04)
	Interest paid on borrowings	(4.16)
	Principal elements of lease payments	(3.93)
	Net cash flows from financing activities	**1,380.87**
	Net increase in cash and cash equivalents	**58.18**
	Cash and cash equivalents at the beginning of the period	-
	Cash and cash equivalents at the end of the financial period	**58.18**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025
Cash and cash equivalents (refer note 7)	58.18
Balances as per statement of Cash flow	**58.18**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.
ii) Refer Note 12 for Net debt reconciliation.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Nine Private Limited

Anjali Lothe
Director
DIN : 10134848

Sumit Rathi
Director
DIN : 07727272

Place : Pune
Date : April 30, 2025

Statement of Changes in Equity for the period February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital

Particulars	Amount
As at February 1, 2024	**-**
Issued during the period	478.00
As at March 31, 2025	**478.00**

B Other Equity

Particulars	Retained Earnings	Total
As at February 1, 2024	**-**	**-**
Profit for the period	3.76	3.76
Other Comprehensive Income for the period	-	-
Total Comprehensive income for the period	**3.76**	**3.76**
Cost related to issue of own equity instruments	(6.04)	(6.04)
As at March 31, 2025	**(2.28)**	**(2.28)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Nine Private Limited

Anjali Lothe
Director
DIN : 10134848

Sumit Rathi
Director
DIN : 07727272

Place : Pune
Date : April 30, 2025

First Energy Nine Private Limited

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1 Corporate information

First Energy Nine Private Limited ("the Company") is a private limited company domiciled in India and incorporated on February 01, 2024 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business of producing solar power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized these financial statements on April 30, 2025. The CIN of the Company is U35100PN2024PTC227760.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied, unless otherwise stated.

2.1 Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value;

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when the Company has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

At the end of each reporting period, the Company updates the estimated transaction price to represent the circumstances present at the end of the reporting period and the changes in circumstances during the reporting period. The Company accounts for such changes in the transaction price (including claims). Consideration / claim payable to a customer includes cash amounts that an entity pays to the customer. The Company accounts for consideration payable to a customer as a reduction of the transaction price and, therefore, of revenue unless the payment to the customer is in exchange for a distinct goods or service that the customer transfers to the entity. The consideration payable to a customer includes a variable amount.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Property, Plant and Equipment

All items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30
Furniture and fixtures	10	10
Roads	3	3

Also refer 2.3.c for other accounting policies relating to Property, plant and equipment.

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in statement of cash flows.

d. Leases

Company as a lessee

The Company lease asset classes primarily consist of leasehold lands. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be paid under residual value guarantees. There are no variable lease payments.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate standalone price of the non-lease components.

2.3. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss. There are currently no debt securities which are carried at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Property, Plant and Equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis

d. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

e. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

f. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

g. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

h. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

i. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

j. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

k. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

l. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

ii. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

3(a) Property, plant and equipment and capital work-in-progress

Particulars	Plant and Machinery	Building	Roads	Furniture	Total	Capital work-in-progress
Gross carrying amount:						
As at February 1, 2024	**-**	**-**	**-**		-	-
Additions	1,421.08	20.12	4.02	1.10	1,446.32	1,446.32
Deduction/ Transfer	-	-	-		-	(1,446.32)
As at March 31, 2025	**1,421.08**	**20.12**	**4.02**	**1.10**	**1,446.32**	**-**
Accumulated Depreciation						
As at February 1, 2024	**-**	**-**	**-**		**-**	**-**
For the period	19.84	0.69	0.42	0.03	20.98	-
As at March 31, 2025	**19.84**	**0.69**	**0.42**	**0.03**	**20.98**	
Net carrying amount:						
As at March 31, 2025	**1,401.24**	**19.43**	**3.60**	**1.07**	**1,425.34**	**-**

Capitalization of expenses

During the period, the Company has capitalized the following expenses of revenue nature to the cost of Property, plant and equipment. Consequently, expenses disclosed under the respective notes are net of amounts capitalized by the Company.

Particulars	As at March 31, 2025
Interest expenses (Net)	16.21
Depreciation	1.59
Total	**17.80**

3(b) Right- of- use assets

Particulars	Leasehold Land	Total
Gross carrying amount:		
As at February 1, 2024	**-**	**-**
Additions*	71.02	71.02
Deductions	-	-
As at March 31, 2025	**71.02**	**71.02**
Accumulated Depreciation		
As at February 1, 2024	**-**	**-**
Charge for the period	2.46	2.46
Deductions	-	-
As at March 31, 2025	**2.46**	**2.46**
Net Block		
As at March 31, 2025	**68.56**	**68.56**

*Includes initial direct costs incurred by the lessee amounting to Rs. 5.22 lakhs

The Company has taken lands on lease which has been accounted in accordance with Ind AS 116-Leases under right of use assets. Refer note 22 for further disclosure on leases.

4. Other financial assets (non-current)

Particulars	As at March 31, 2025
Security deposits	7.71
Total	**7.71**

5. Income tax assets (net)

Particulars	As at March 31, 2025
Opening balance	-
Add: Taxes paid during the period	0.12
Less: Current tax payable for the period	-
Total	**0.12**

6. Trade receivables

Particulars	As at March 31, 2025
Trade Receivables	
Unbilled*	22.48
Billed	9.87
Total	**32.35**
Break-up for security details:	
Trade receivables considered good - Unsecured	32.35
Trade receivables which have a significant increase in credit risk	-
Trade receivables- credit impaired	-
	32.35
Less: Impairment allowance	-
Total	**32.35**

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivable is 'unbilled' because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration. Refer note 23 for related party disclosures.

Trade receivables ageing

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	22.48	-	9.87	-	-	-	-	32.35
Total	**22.48**	**-**	**9.87**	**-**	**-**	**-**	**-**	**32.35**

7. Cash and cash equivalents

Particulars	As at March 31, 2025
Balance with banks	
- in current accounts	58.18
Total	**58.18**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

8. Other current assets

Particulars	As at March 31, 2025
Advance to suppliers	0.69
Prepaid expenses	0.77
Total	**1.46**

9. Equity Share Capital

a) Authorised Equity Share Capital

Equity shares of Rs 10 each

Particulars	No. of shares	Amount
As at February 1, 2024	**-**	
Increase during the period	50,000,000	5,000.00
As at March 31, 2025	**50,000,000**	**5,000.00**

b) Issued, Subscribed and Paid up Equity Share Capital

Equity shares of Rs 10 each

Particulars	No. of shares	Amount
As at February 1, 2024	**-**	**-**
Changes during the period	4,780,000	478.00
As at March 31, 2025	**4,780,000**	**478.00**

c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025
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Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Equity shares held by holding company

Particulars	As at March 31, 2025	
	No. of shares	Amount
Immediate holding company		
First Energy Private Limited (including 4 shares held by nominee shareholders)	3,340,000	334.00
Equity shares of Rs 10 each		
Intermediate holding company		
Thermax Limited	720,000	72.00

e) Details of shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025
(i) First Energy Private Limited	
% Holding	69.87%
No. of shares	3,340,000
ii)Thermax Babcock & Wilcox Energy Solutions Limited	
% Holding	15.06%
No. of shares	720,000
iii) Thermax Limited	
% Holding	15.06%
No. of shares	720,000

f) Shares held by promoters at the end of the period

Name of Promoter	As at March 31, 2025	
	Number of shares	% of total number of shares
First Energy Private Limited	3,340,000	69.87%
Thermax Babcock & Wilcox Energy Solutions Limited	720,000	15.06%
First Energy Private Limited	720,000	15.06%

g) Aggregate number of shares issued for consideration other than cash :

There are no shares issued for consideration other than cash or by way of bonus shares during the period.

10. Other equity

Particulars	As at March 31, 2025
Retained Earnings	
Opening Balance	-
Add : Profit for the period	3.76
	3.76
Cost related to issue of own equity instruments	(6.04)
Total	**(2.28)**

11. Deferred tax liability (net)

Particulars	As at March 31, 2025
Deferred Tax Liability	
Depreciation on property, plant and equipment	59.83
Right-of-use assets	17.26
	77.09
Deferred Tax Asset	
Losses available for offsetting against future taxable income	58.42
Lease Liabilities	15.64
	74.06
Total	**3.03**
Income tax expense consist of following	
Current tax expenses	-
Deferred tax benefit	3.03
Total	**3.03**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	February 1, 2024 to March 31, 2025
Profit before tax	6.79
Income tax rate	25.17%
Expected tax expense	1.71
Others	1.32
Total tax expense	**3.03**

12. Borrowing

Current borrowings

Particulars	As at March 31, 2025
Unsecured loans	
From holding company	917.00
Total	**917.00**
Aggregate secured borrowings	-
Aggregate unsecured borrowings	917.00

Loans are measured at amortised cost.

Details	Maturity date	Terms of payment	Interest rate	March 31, 2025
Loan from Holding Company	10/04/2025	on or before maturity date	8.95%	917.00

During the year, the Company has used all the borrowings for specific purpose for which they have been obtained.

Net debt reconciliation

Particulars	As at March 31, 2025
Cash and cash equivalents	58.18
Borrowings	(917.00)
Lease Liabilities	(67.55)
Interest accrued	(37.42)
Net debt	**(963.79)**

First Energy Nine Private Limited

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Assets	Liabilities from financing activities		Total
	Cash and cash equivalents	Borrowings (including accrued interest)	Lease Liabilities	
Net debt as at Feb 1,2024				
Additions of lease	-	-	(65.80)	(65.80)
Cash flows	58.18	(917.00)	3.93	(854.89)
Borrowing cost (capitalised)	-	(14.39)	(3.77)	(18.16)
Interest paid	-	4.16	-	4.16
Interest expenses	-	(27.19)	(1.91)	(29.10)
Net debt as at March 31, 2025	**58.18**	**(954.42)**	**(67.55)**	**(963.79)**

13. Trade payables

Particulars	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (Refer note 29)	1.96
Total outstanding dues of creditors other than micro enterprises and small enterprises	
i) Related parties	5.05
ii) Others	3.00
Total	**10.01**

Ageing schedule for trade payables

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and Small enterprises	1.91	0.01	0.04	-	-	-	1.96
(ii) Others	3.00	-	5.05	-	-	-	8.05
Total	**4.91**	**0.01**	**5.09**	**-**	**-**	**-**	**10.01**

14. Other financial liabilities (current)

Particulars	As at March 31, 2025
Payable for property plant and equipment	74.53
Interest accrued but not due on loans	37.42
Others	6.04
Total	**117.99**

15. Other current liabilities

Particulars	As at March 31, 2025
Statutory dues payable	2.42
Total	**2.42**

16. Revenue from Operations

Particulars	February 1, 2024 to March 31, 2025
Revenue from Power Supply	80.74
Total	**80.74**

Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particulars	February 1, 2024 to March 31, 2025
i) Revenue by category of contracts:	
Over a period of time basis	80.74
At a point in time basis	-
Total revenue from contracts with customers	**80.74**
ii) Revenue by geographical market:	
Within India	80.74
Outside India	-
Total revenue from contracts with customers	**80.74**

iii) Reconciliation between revenue recognised in Statement of profit and loss and contract price

Particulars	February 1, 2024 to March 31, 2025
Contract price	109.99
Revenue from trial run reduced from cost of property, plant and equipment	(29.25)
Total Revenue recognised	**80.74**

iv) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

17. Finance costs

Particulars	February 1, 2024 to March 31, 2025
Interest expense on borrowings	41.58
Interest on lease liability	5.68
Less: Capitalized during the period	(18.16)
Total	**29.10**

18. Depreciation expense

Particulars	February 1, 2024 to March 31, 2025
Depreciation of property, plant and equipment	20.98
Depreciation on right-of-use assets	2.46
Less: Capitalized during the period	(1.59)
Total	**21.85**

19. Other Expenses

Particulars	February 1, 2024 to March 31, 2025
Rates and taxes	2.27
Site expenses	3.41
Electricity expenses	2.46
Rent paid	2.42
Travelling and conveyance	2.98
Insurance	0.40
Legal and Professional Fees	3.55
Technical fees	0.08
Auditor's remuneration (Refer note below)	1.77
Printing & Stationery	0.06
Management fees (Refer note 23)	3.05
Miscellaneous expenses	0.55
Total	**23.00**

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current period.

Note: Auditor's remuneration

Particulars	February 1, 2024 to March 31, 2025
Statutory Audit Fees (Including GST)	1.77
Total	**1.77**

20. Earnings per share

Particulars	As at March 31, 2025
Net profit attributable to the equity shareholders of the Company (In Rs lakhs)	3.76
Weighted average number of equity shares of Rs.10/- each	33,09,718
Basic and Diluted earning per share (in Rs.)	**0.11**

21. Contingent Liabilities and Commitments

There are no liabilities of contingent nature.

Capital Commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Nil.

22 Leasing Arrangements

Company as lessee

The Company has taken lands on leases for a tenure of upto 29 years. There are no variable lease payments and residual value guarantees for these leases.

Carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2025
At the beginning of the period	-
Additions	65.80
Accretion of interest	5.68
Payments made	(3.93)
As at end of the period	**67.55**
Current portion of lease liabilities	10.83
Non-current portion of lease liabilities	56.72
Total	**67.55**

Details of amounts recognised in statement of profit and loss

Particulars	February 1, 2024 to March 31, 2025
Depreciation expense of right-of-use assets	2.46
Short term lease rent paid	2.42
Interest expense on lease liabilities	5.68
Less: Capitalised during the period	(5.36)
Total amount recognised in statement of profit or loss	**5.20**

The total cash outflow for leases during the period Rs 3.93 Lakhs (excluding short term lease payment of Rs 2.42 lakhs).

Extension and termination options are included in property leases. These are used to maximise operational flexibility in terms of managing the assets used in the company's operations. The majority of extension and termination options held are exercisable only by the Company's and not by the respective lessor.

23. Related party disclosures

A Immediate Holding Company

First Energy Private Limited

B Ultimate Holding Company

RDA Holding Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Entities under common control with whom there have been transactions during the period

1 Thermax Babcock & Wilcox Energy Solutions Limited

2 First Energy 7 Private Limited

E Key Management Personnel:

1 Mr. Sandeep Mandke - Director

2 Mr. Mitish Somani - Director (till April 4, 2024)

3 Mrs. Anjali Lothe - Director

4 Mr. Sumit Rathi - Additional director (w.e.f. July 19, 2024)

F Transactions with Related parties:

	February 1, 2024 to March 31, 2025
With Immediate Holding Company	
First Energy Private Limited	
Subscription to equity shares	334.00
Reimbursement of expenses paid	10.20
EPC project management fees (capitalised in property, plant and equipment)	120.00
Management fees	3.05
Interest on borrowings (including capitalised)	41.58
Loan taken	917.00
Entities under common control	
First Energy 7 Private Limited	
Reimbursement of expenses paid	2.21
Reimbursement of expenses received	0.50
Thermax Babcock & Wilcox Energy Solutions Limited	
Subscription to equity shares	72.00
Revenue from operations (including deducted from cost of property, plant and equipment)	41.49
Intermediate Holding Company	
Thermax Limited	
Subscription to equity shares	72.00
Revenue from operations (including deducted from cost of property, plant and equipment)	68.51

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

G Outstanding balances

Particulars	As at March 31, 2025
Immediate Holding Company	
First Energy Private Limited	
Trade payables	5.06
Other payable	6.04
Interest on unsecured loan	37.42
Unsecured Loans	917.00
Entities under common control	
Thermax Babcock & Wilcox Energy Solutions Limited	
Trade Receivable	21.11
Intermediate Holding Company	
Thermax Limited	
Trade Receivable	11.24

H Terms and conditions

All outstanding balances are unsecured, interest free except for borrowings and payable in cash. For details of interest on borrowings, refer note 12.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

24. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025
Borrowings	917.00
Trade payables	10.01
Other liabilities	117.99
Total	**1,045.00**
Current liabilities	1,045.00
Non-current liabilities	-
Total	**1,045.00**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025
Other financial assets	7.71
Trade receivables	32.35
Cash and cash equivalents	58.18
Total	**98.24**
Current assets	90.53
Non-current assets	7.71
Total	**98.24**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

25 Financial risk management

The Company's principal financial liabilities, comprise borrowings, lease liabilities, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents, trade and other receivables that derive directly from its operations.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The Management of the Company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the company reviews and agrees policies for managing each of these risks, which are summarised below.

I Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and price risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, diversification of assets in terms of geographical distribution, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a) Interest rate risk

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

The Company does not have any exposure to interest rate changes at the end of the reporting period, currently as there are no borrowings with variable rates.

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the period and hence not exposed to any foreign currency risk.

c) Price risk

The Company's investments are susceptible to market risk arising from uncertainties about future values of the investment securities. These securities are unquoted. The Company manages the price risk through placing limits on individual and total equity/ mutual fund investments. Reports on the investment portfolio are submitted to the management on a regular basis. The Company is not currently exposed significantly to such risks.

II 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 currently exposed to credit risk from its operating activities primarily trade receivables, deposits with banks and other financial instruments.

Expected credit loss for

Balances with Banks

Credit risk from balances with banks and financial institutions is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty.

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits which is considered to be low risk. No loss allowance is required to be recognised for the same.

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. Entire revenues of the Company is derived from related parties. Accordingly, all receivables are from group companies. The Company has assessed the credit risk to be negligible and accordingly the impact of expected credit loss is assessed as not material.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summaries the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

As at March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	917.00	-	-	-
Trade payables	10.01	-	-	-
Lease liabilities	10.83	11.72	12.16	157.75
Other financial liabilities	117.99	-	-	-

21. Analytical ratios

S. No.	Particulars	Numerator	Denominator	As at March 31, 2025
1	Current Ratio	Current Assets	Current Liabilities	0.09
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	1.93
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	1.66
4	Return on equity ratio	Net Profits after taxes	Shareholder's Equity	0.79%
5	Return on investment	Investment income	Average investment	Not applicable
6	Return on capital employed	Earning before interest and taxes	Capital Employed	2.58%
7	Net Profit Ratio	Net Profits after taxes	Revenue	4.66%
8	Trade Receivables turnover Ratio	Total Sales	Accounts Receivable	2.50
9	Trade payables turnover Ratio	Net Credit Purchases	Trade Payables	2.30
10	Net capital turnover Ratio	Total Sales	Working Capital	(0.08)

Working Capital = Current assets less Current liabilities

Capital employed = Tangible Net worth + total debt

27. Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

Particulars	As at March 31, 2025
Borrowings (including accrued interest)	954.42
Lease liabilities	67.55
Less: Cash and cash equivalents	-58.18
Net debt	**963.79**
Equity	**475.72**
Net Debt to Equity	**2.03**

28. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

29. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of accounting period	
- Principal amount due to micro and small enterprises	1.96
- Interest due thereon	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during accounting period	
The amount of payment made to the supplier beyond the appointed day during the period	3.27

Notes to the financial statements for the period from February 1, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	As at March 31, 2025
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED Act, 2006	0.05
The amount of interest accrued and remaining unpaid at the end of accounting period	0.05
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.05

30. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with the Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current period.

(iv) There is no income surrendered or disclosed as income during the current period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current period.

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

31. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with regulations.

32. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the period for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

33. The Company is incorporated on February 1, 2024 . The financial statements are prepared for the period February 1, 2024 to March 31, 2025 as the first financial statements of the Company. Hence, comparative amounts do not exist for the current period.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy Nine Private Limited

Anjali Lothe
Director
DIN : 10134848

Sumit Rathi
Director
DIN : 07727272

Place : Pune
Date : April 30, 2025

First Energy 10 Private Limited

Board of Directors
Sumit Rathi
Sandeep Mandke
Anjali Lothe

Corporate Office
Unit No. 601, 6th Floor,
Cello Platina, Fergusson College Road,
Model Colony, Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Bankers
ICICI Bank Limited

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure in presenting the First Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	March 23, 2024 to March 31, 2025
Total income	1.53
Profit before finance cost, depreciation, and tax	(15.68)
Finance Cost	0.34
Profit before depreciation and tax	(16.02)
Depreciation and impairment	-
Profit/(Loss) before tax	(16.02)
Provision for taxation (incl. deferred tax)	-
Items that are not to be reclassified to profit or loss	-
Profit/(Loss) after tax	(16.02)

State of Company's Affairs

The Company was incorporated on March 23, 2024. It is proposed to set up a wind and solar captive project of ~240 MWp in Andhra Pradesh and Tamil Nadu connected to Central transmission utility.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

The directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were changes in the capital structure of the Company. The Company has increased its authorized share capital from Rs. 1,00,000/- (Rupees One Lakh only) consisting of 10,000 (Ten Thousand) equity shares of Rs. 10/- each to Rs. 10,00,00,000 (Rupees Ten Crore) consisting of 1,00,00,000 (One crore) Equity Shares of Rs. 10 each and then to Rs. 20,00,00,000 (Rupees Twenty Crore) consisting of 2,00,00,000 (Two crore) Equity Shares of Rs. 10 each. The increase in share capital was approved by the members of the Company in their Extra-Ordinary General Meeting held on December 12, 2024 and March 12, 2025 respectively. The Paid-up Share Capital of the Company is Rs. 10,00,00,000 (Rupees Ten Crore) divided into 1,00,00,000 (One Crore) Equity Shares of Rs.10 each. During the year under review, the Company has made further issue of shares to the existing shareholders on rights basis. Details of the further issue of shares are as follows:

Date of Issue	Number of Shares	Nominal value per share (Rs.)	Amount paid up (Rs.)
27/02/2025	99,90,000	10	9,99,00,000

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section 186 of the Companies Act, 2013, are given in the notes to the Financial Statements. During the year, the Company did not give any guarantee.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its renewable energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involved the risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The risk identified by the Company is lower generation on account of lower radiation, wind speed, and Grid failures. The Company continuously

studies the radiation levels and Wind Resources Assessment with historical data from reliable sources and accordingly sizes the plant and the financial models for arriving at the right tariff for the available conditions. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using waterless robotic technology for cleaning modules and therefore manpower dependency is reduced.

Health and Safety

Across all its operational assets, sites and offices, the Company implements policies that covers Health and safety. The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalisation: - HSE digital software implemented for hazard reporting and risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors

During the year, Mr. Sumit Rathi (DIN: 07727272) was appointed as an Additional Director of the Company w.e.f. July 8, 2024 and Mr. Chandrasekar Sureshnathan (DIN: 08180321) resigned as a Director of the Company w.e.f. July 8, 2024.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Ms. Anjali Lothe (DIN:10134848)retires by rotation and being eligible offers, herself for re-appointment. The proposal of re-appointment forms part of the Notice of the first AGM of the Company.

Board Meetings

During the year, the Board met five times on April 1, 2024, June 13, 2024, October 7, 2024, December 10, 2024 and March 10, 2025 . The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Director's Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Financial Statements

Pursuant to Section 2(41) of the Companies Act, 2013, the financial year of the companies incorporated after the 1st day of January of a year shall end on the 31st day of March of the following year, in respect whereof the financial statement of the company is made up. Accordingly, the Company has prepared the financial statements from the date of incorporation to March 31, 2025 as per Schedule III to the Companies Act, 2013, as amended from time to time.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar, Wind, and associated Renewable energy generation sources for commercial & industrial customers.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the company is a Subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. It has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as first statutory auditors of the Company in the Extra-Ordinary General Meeting of the members held on June 14, 2024 to hold the office from the conclusion of 1st Extra Ordinary General Meeting until the conclusion of 1st Annual General Meeting of the Company. The Auditor's Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work and support.

For and on behalf of the Board of Directors of
First Energy 10 Private Limited

Sumit Rathi
Director
DIN: 07727272

Anjali Lothe
Director
DIN: 10134848

Pune, April 30, 2025

First Energy 10 Private Limited

Independent auditor's report

To the Members of First Energy 10 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 10 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from March 23, 2024 to March 31, 2025, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the period then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

12. As required by Section 143(3) of the Act, we report that:

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

    (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

    (d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

    (f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

    (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 does not have any pending litigations which would impact its financial position.

        ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

        iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended March 31, 2025.

        iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 29(viii) to the financial statements, 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, as disclosed in the Note 29(viii) to the financial statements, 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; and

        (c) Based on such audit procedures that we 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 or paid any dividend during the period.

        vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the period for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

13. The Company has not paid any remuneration to its directors during the period. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQG1459
Place: Pune
Date: May 7, 2025

First Energy 10 Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of First Energy 10 Private Limited on the financial statements for the period ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 10 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQG1459
Place: Pune
Date: May 7, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of First Energy 10 Private Limited on the financial statements as of and for the period ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the period and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in the favour of the lessee) (Refer Note 3 to the financial statements). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets). Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the period, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is generally regular in depositing undisputed statutory dues in respect of income tax, though there has been a slight delay in a few cases, and is regular in depositing undisputed statutory dues, including goods and services tax and other statutory dues, as applicable, with the appropriate authorities. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the period. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the period, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the period by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the period. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has incurred cash losses of Rs. 16.02 lakhs in the financial year. The current financial year being the first period of incorporation of the Company, reporting under Clause (xvii) to the extent it relates to the immediately preceding financial year, is not applicable to the Company.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQG1459
Place: Pune
Date: May 7, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025
ASSETS		
Non-current assets		
Capital work in progress	3(a)	43.84
Right-of-use assets	3(b)	59.17
Deferred tax assets (net)	4	-
Income tax assets (net)	5	0.15
Other non-current assets	6	0.09
Total non-current assets		**103.25**
Current assets		
Financial assets		
(a) Cash and cash equivalents	7	892.56
(b) Other financial assets	8	0.35
Other current assets	9	0.51
Total current assets		**893.42**
Total Assets		**996.67**
EQUITY AND LIABILITIES		
Equity		
Equity share capital	10	1,000.00
Other equity	11	(36.31)
Total Equity		**963.69**
Current liabilities		
Financial liabilities		
(a) Borrowings	12	12.00
(b) Trade payables	13	
i) total outstanding dues of micro enterprises and small enterprises		0.63
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.75
(c) Other financial liabilities	14	2.53
Other current liabilities	15	15.07
Total current liabilities		**32.98**
Total Equity and Liabilities		**996.67**

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

Statement of profit and loss for the period from March 23, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	March 23, 2024 to March 31, 2025
Income		
Other income	16	1.53
Total Income		**1.53**
Expenses		
Finance costs	17	0.34
Depreciation expense	18	-
Other Expenses	19	17.21
Total Expenses		**17.55**
Loss before tax		**(16.02)**
Tax expense		**-**
Loss for the period		**(16.02)**
Other comprehensive income		**-**
Total comprehensive income for the period		**(16.02)**
Loss per equity share		
Basic and Diluted (nominal value per share Rs 10)	20	(2.67)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of First Energy 10 Private Limited

Sumit Rathi
Director
DIN : 07727272

Anjali Lothe
Director
DIN : 10134848

Place : Pune
Date : April 30, 2025

First Energy 10 Private Limited

Statement of Cash flows For the year period from March 23, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	March 23, 2024 to March 31, 2025
A)	**Cash flows from operating activities**	
	Loss before tax	(16.02)
	Adjustments for:	
	Finance costs	0.34
	Interest income	(1.53)
	Working capital adjustments	
	Increase in other assets	(0.59)
	Increase in trade payables	3.38
	Increase in other financial liabilities	0.97
	Increase in other liabilities	15.07
	Cash generated from operations	**1.62**
	Income taxes paid	(0.15)
	Net cash generated from operating activities	**1.47**
B)	**Cash flows from investing activities**	
	Payments for property, plant and equipments	(42.45)
	Interest income from financial assets at amortised cost	1.18
	Initial direct cost pertaining to right-of-use assets	(9.87)
	Net cash used in investing activities	**(51.14)**
C)	**Cash flows from financing activities**	
	Proceeds from borrowings	12.00
	Proceeds from issue of equity shares	1,000.00
	Cost related to issue of own equity instruments	(20.29)
	Interest paid on borrowings	(0.04)
	Principal elements of lease payments	(49.44)
	Net cash generated from financing activities	**942.23**
	Net increase in cash and cash equivalents	**892.56**
	Cash and cash equivalents at the beginning of the period	-
	Cash and cash equivalents at the end of the period	**892.56**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025
Cash and cash equivalents (refer note 7)	892.56
Balances as per statement of Cash flows	**892.56**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer Note 12 for Net debt reconciliation.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 10 Private Limited

Sumit Rathi
Director
DIN : 07727272

Anjali Lothe
Director
DIN : 10134848

Place : Pune
Date : April 30, 2025

Statement of changes in equity for the period from March 23, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital

Particulars	Amount
As at March 23, 2024	**-**
Issue during the period	1,000.00
As at March 31, 2025	**1,000.00**

B Other Equity

Particulars	Retained Earnings	Total
As at March 23, 2024	**-**	**-**
Loss for the period	(16.02)	(16.02)
Other Comprehensive Income	-	-
Total Comprehensive income for the period	**(16.02)**	**(16.02)**
Cost related to issue of own equity instruments	(20.29)	(20.29)
As at March 31, 2025	**(36.31)**	**(36.31)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 10 Private Limited

Sumit Rathi
Director
DIN : 07727272

Anjali Lothe
Director
DIN : 10134848

Place : Pune
Date : April 30, 2025

First Energy 10 Private Limited

Notes to the financial statements for the period from March 23, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1 Corporate information

First Energy 10 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on March 23, 2024 under the provisions of Indian Companies Act, 2013 is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business of producing solar and wind power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 30, 2025. The CIN of the Company is U35100PN2024PTC229447.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied, unless otherwise stated.

2.1 Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value;

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

b. Leases

Company as a lessee

The Company lease asset classes primarily consist of leasehold lands. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether: (1) the contract involves the use of an identified asset (2) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (3) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease arrangements include the options to extend or terminate the lease before the end of the lease term. Right-of-use assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable and amounts expected to be paid under residual value guarantees. There are no variable lease payments.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a practical expedient, Ind AS 116 permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate standalone price of the non-lease components.

2.3. Summary of other accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when the Company has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

Notes to the financial statements for the period from March 23, 2024 to March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

b. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss. There are currently no debt securities which are carried at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

c. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Property, plant and equipment (PPE)

All items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

e. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the statement of profit and loss.

f. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

g. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

h. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

i. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of profit and loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying

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amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

k. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

l. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

m. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

n. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

3(a). Capital work-in-progress

Capital work-in-progress(CWIP) comprises cost of renewable energy plant under construction. Total amount of CWIP is Rs 43.84 Lakhs.

Ageing of capital work-in-progress

Particulars	As at March 31, 2025				
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress					
(i) 100 MW Solar project and 100MW wind project	43.84	-	-	-	43.84
Sub-total	**43.84**	**-**	**-**	**-**	**43.84**

There are no projects whose completion is overdue or has exceeded its cost compared to its original plan.

3(b). Right- of- use assets

Particulars	Plant and Machinery	Capital work-in-progress
Gross carrying amount:		
As at March 23, 2024	**-**	-
Additions*	59.31	59.31
Deductions	-	-
As at March 31, 2025	**59.31**	**59.31**
Accumulated Depreciation		
As at March 23, 2024	**-**	**-**
Charge for the period	0.14	0.14
Deductions	-	-
As at March 31, 2025	**0.14**	**0.14**
Net Block		
As at March 31, 2025	**59.17**	**59.17**

*The company has taken land on lease which has been accounted in accordance with IND AS-116 -leases under right of use assets. It also includes initial direct costs incurred by the lessee amounting to Rs 9.87 lakhs.

Leasing Arrangement

Company as lessee

The Company has taken land on leases for a tenure of upto 30 years. There are no variable lease payments and residual value guarantees for these leases.

Carrying amounts of lease liabilities and the movements during the period:

Particulars	As at March 31, 2025
At the beginning of the period	-
Additions	49.44
Accretion of interest	-
Payments made	(49.44)
As at end of the period	**-**

First Energy 10 Private Limited

Notes to the financial statements for the period from March 23, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Details of amounts recognised in statement of profit and loss

Particulars	March 23, 2024 to March 31, 2025
Depreciation expense of right-of-use assets	0.14
Short term lease rent paid	0.04
Less: Capitalised during the period	(0.14)
Total amount recognised in statement of profit or loss	**0.04**

The total cash outflow for leases during the period Rs 59.31 Lakhs (excluding short term lease payment of Rs 0.04 lakhs).

Extension and termination options are included in the lease. It is used to maximise operational flexibility in terms of managing the assets used in the company's operations. Extension and termination options held are exercisable only by the Company and not by the respective lessor.

4. Deferred tax asset (net)

The company has tax losses of Rs 15.99 lakhs that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of the losses as they may not be used to offset taxable profit elsewhere in the company and there are no other tax planning opportunities or other evidences of recoverability in the near future. If the company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs 4.02 lakhs.

Particulars	Expiry date	As at March 31, 2025	
		Amount	Tax Impact
Tax losses	2032-33	15.99	4.02
Total		**15.99**	**4.02**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particulars	For the period ended March 23, 2024 to March 31, 2025
Loss before tax	(16.02)
Income tax rate	25.17%
Expected tax expense / (credit)	(4.02)
Deferred tax assets not recognised on losses	4.02
Total tax expense / (credit)	**-**

5. Income tax assets (net)

Particulars	As at March 31, 2025
Opening balance	-
Add: Taxes paid during the period	0.15
Less: Current tax payable for the period	-
Total	**0.15**

6. Other non-current assets

Particulars	As at March 31, 2025
Prepaid Expenses	0.08
Capital advances*	0.00
Total	**0.09**

*Below rounding off norms adopted by the company.

7. Cash and cash equivalents

Particulars	As at March 31, 2025
Balance with Banks	
- in current accounts	57.56
- demand drafts on hand	135.00
- deposits with original maturity of less than three months	700.00
Total	**892.56**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

8. Other financial assets (current)

Particulars	As at March 31, 2025
Interest accrued but not due	0.35
Total	**0.35**

9. Other current assets

Particulars	As at March 31, 2025
Prepaid expenses	0.19
Advances to supplier	0.32
Total	**0.51**

10. Equity Share Capital

a. Authorised Equity Share Capital

Particulars	No. of shares	Amount
As at March 23, 2024		
Increase during the period	2,00,00,000	2,000.00
As at March 31, 2025	**2,00,00,000**	**2,000.00**

b. Issued, Subscribed and Paid up equity share capital

Particulars	No. of shares	Amount
As at March 23, 2024	**-**	**-**
Changes during the period	1,00,00,000	1,000.00
As at March 31, 2025	**1,00,00,000**	**1,000.00**

c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d) Equity shares held by holding company

Particulars	As at March 31, 2025	
	No. of shares	Amount
Immediate Holding company		
First Energy Private Limited (including 1 share held by nominee shareholder)	1,00,00,000	1,000.00
Equity shares of ₹ 10 each		

Notes to the financial statements for the period from March 23, 2024 to March 31, 2025
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e. Details of shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025
(i) First Energy Private Limited, India	
% Holding	100.00%
No. of shares	1,00,00,000

f. Shares held by promoters at the end of the period

Name of Promoter	As at March 31, 2025	
	Number of shares	% of total number of shares
First Energy Private Limited, India	1,00,00,000	100.00%

g. Aggregate number of shares issued for consideration other than cash :

There are no shares issued for consideration other than cash or by way of bonus shares during the current period.

11. Other equity

Particulars	As at March 31, 2025
Retained Earnings	
Opening Balance	-
Add : Loss for the period	(16.02)
	(16.02)
Cost related to issue of own equity instruments	(20.29)
Total	**(36.31)**

12. Current borrowings

Particulars	As at March 31, 2025
Unsecured loans	
Loan From holding company	12.00
Total	**12.00**
Aggregate secured borrowings	-
Aggregate unsecured borrowings	12.00

Loans are measured at amortised cost.

Details	Maturity date	Terms of payment	Interest rate	March 31, 2025
Loan from Holding Company	December 10,2025	1 year from date of payment	8.95%	11.00
Loan from Holding Company	October 28,2025	1 year from date of payment	8.95%	1.00

During the year, the Company has used all the borrowings for specific purpose for which they have been obtained.

Net debt reconciliation

Particulars	As at March 31, 2025
Borrowings	(12.00)
Interest accrued	(0.30)
Cash and cash equivalent	892.56
Net cash position	**880.26**

	Assets	Liabilities from financing activities	Total
	Cash and cash equivalents	Borrowings (including accrued interest)	
Net debt as at March 23,2024	**-**	**-**	**-**
Cash flows	892.56	(12.00)	880.56
Interest		(0.34)	(0.34)
Interest paid	-	0.04	0.04
As at March 31, 2025	**892.56**	**(12.30)**	**880.26**

13. Trade payables

Particulars	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	0.63
Total outstanding dues of creditors other than micro enterprises and small enterprises	
i) Related parties	-
ii) Others	2.75
Total	**3.38**

Ageing schedule for trade payables

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	0.63	-	-	-	-	-	0.63
(ii) Others	2.38	0.19	0.18	-	-	-	2.75
Total	**3.01**	**0.19**	**0.18**	**-**	**-**	**-**	**3.38**

14. Other financial liabilities (Current)

Particulars	As at March 31, 2025
Payable for property, plant and equipments	1.26
Interest accrued but not due on loans	0.30
Other payables	0.97
Total	**2.53**

15. Other current liabilities

Particulars	As at March 31, 2025
Statutory dues payable	15.07
Total	**15.07**

16. Other Income

Particulars	March 23, 2024 to March 31, 2025
Interest income from financial assets at amortised cost	1.53
Total	**1.53**

First Energy 10 Private Limited

Notes to the financial statements for the period from March 23, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

17. Finance costs

Particulars	March 23, 2024 to March 31, 2025
Interest expense on financial liabilities measured at amortised cost	0.34
Total	**0.34**

18. Depreciation expense

Particulars	March 23, 2024 to March 31, 2025
Depreciation of right-of-use assets	0.14
Less: Capitalized during the period	(0.14)
Total	**-**

19. Other Expenses

Particulars	March 23, 2024 to March 31, 2025
Advertisement and publicity	2.30
Rates and taxes	0.23
Rent paid	0.04
Legal and professional fees	12.83
Auditor's remuneration (Refer note below)	1.77
Miscellaneous expenses	0.04
Total	**17.21**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current period.

Note: Auditor's remuneration

Particulars	March 23, 2024 to March 31, 2025
As Auditor	
Statutory Audit Fees (Including GST)	**1.77**
Total	**1.77**

20. Loss per share

Particulars	March 23, 2024 to March 31, 2025
Net loss attributable to the equity shareholders of the Company (In Rs. lakhs)	(16.02)
Weighted average number of equity shares of Rs.10/- each	5,99,249
Basic and Diluted Loss per share (in Rs.)	**(2.67)**

21. Contingent Liabilities

There are no liabilities of contingent nature.

Capital and other commitment

There are no capital or other commitment.

22. Related party disclosures

A Immediate Holding Company

First Energy Private Limited

B Ultimate Holding Company

RDA Holdings Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Key Management Personnel:

1 Mr. Sumit Rathi- Additional director (w.e.f. July 8, 2024)

2 Mrs. Anjali Lothe - Director (w.e.f. March 23, 2024)

3 Mr. Sandeep Mandke - Director (w.e.f March 23, 2024)

E Transactions with Related parties:

	March 23, 2024 to March 31, 2025
With Immediate Holding Company	
First Energy Private Limited	
Subscription for equity shares by holding company	1,000.00
Reimbursement of expenses paid	41.30
Interest on loans	0.34
Loan taken	12.00

F Outstanding balances

Particulars	As at March 31, 2025
Balances as at the period end	
Immediate Holding Company	
First Energy Private Limited	
Interest on unsecured loan	0.30
Unsecured Loans	12.00

G Terms and conditions

All outstanding balances are unsecured, interest free except for borrowings and payable in cash. For details of interest on borrowings, refer note 12.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

23. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025
Trade payable	3.38
Borrowings	12.00
Other liabilities	2.53
Total	**17.91**
Current liabilities	17.91
Non current liabilities	-
Total	**17.91**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025
Cash and cash equivalents	892.56
Other financial assets	0.35
Total	**892.91**
Current assets	892.91
Non-current assets	-
Total	**892.91**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

24. Financial risk management

The Company's principal financial liabilities comprise borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents

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Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

The management of the company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the company reviews and agrees policies for managing each of these risks, which are summarised below.

I 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 two types of risk: interest rate risk, currency risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any exposure to interest rate changes at the end of the reporting period, currently as there is no borrowings with variable rates.

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the period hence not exposed to any foreign currency risk.

II 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 currently exposed to credit risk from its investing activities, including deposits with banks.

Credit risk from balances with banks and financial institutions is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties. Identified impairment loss for the assets is immaterial.

The Company's maximum exposure to credit risk for bank balances and deposits as at March 31, 2025 is the carrying amounts as disclosed in notes to accounts.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

As at March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	12.00	-	-	-
Trade Payables	3.38	-	-	-
Other financial liabilities	2.53	-	-	-

25. Analytical ratios

S. No.	Particulars	Numerator	Denominator	For the period from March 23, 2024 to March 31, 2025
1	Current Ratio	Current Assets	Current Liabilities	27.09
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	0.01
3	Return on equity ratio	Net loss after taxes	Shareholder's Equity	-1.66%
4	Return on investment	Investment income	Investment	0.22%
5	Debt Service Coverage Ratio	Earnings available for debt service (Net loss after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	-0.32
6	Trade payables turnover Ratio	Net Credit Purchases	Trade Payables	5.09
7	Return on Capital employed	Earning before interest and taxes	Capital Employed	-1.61%

Capital employed = Tangible Net worth

26. Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

Particulars	As at March 31, 2025
Borrowings (including accrued interest)	12.30
Less: Cash and cash equivalents	892.56
Net cash position	**880.26**
Equity	**963.69**

First Energy 10 Private Limited

Notes to the financial statements for the period from March 23, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

27. Segment information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz. "Producer of power through renewable energy source". Hence, the Company does not have any reportable segment as per IND AS-108 "Operating Segments".

28. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	
- Principal amount dues to micro and small enterprises	0.63
- Interest due thereon	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-
The amount of payment made to the supplier beyond the appointed day during the year	0.95
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.02
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.02
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	0.02

29. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the period.

(iv) There is no income surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current period."

(viii) Utilisation of borrowed funds and share premium
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

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 Company 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.

30. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with regulations.

31. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

32. The Company is incorporated on March 23, 2024. The financial statements are prepared for the period March 23, 2024 to March 31, 2025 as the first financial statement of the Company. Hence, comparative amounts do not exist for the current period.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 10 Private Limited

Sumit Rathi
Director
DIN : 07727272

Anjali Lothe
Director
DIN : 10134848

Place : Pune
Date : April 30, 2025

First Energy 11 Private Limited

Board of Directors
Sumit Rathi
Sandeep Mandke
Anjali Lothe

Corporate Office
Unit No. 601, 6th Floor,
Cello Platina, Fergusson College Road,
Model Colony, Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Bankers
ICICI Bank Limited

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure to present the First Annual Report, together with the audited financial statements of your company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	July 29, 2024 to March 31, 2025
Total income	-
Profit before finance cost, depreciation, and tax	(2.97)
Finance Cost	-
Profit before depreciation and tax	(2.97)
Depreciation and impairment	-
Profit/(Loss) before tax	(2.97)
Provision for taxation (incl. deferred tax)	-
Items that are not to be reclassified to profit or loss	-
Profit/(Loss) after tax	(2.97)

State of Company's Affairs

The Company was incorporated on July 29, 2024. It is proposed to set up a wind solar hybrid captive project of ~70 MW in Gujrat.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

The directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the Company. The Paid-up Share Capital of the Company is Rs. 1,00,000/- (Rupees One Lakh only) divided into 10,000 (Ten Thousand) Equity Shares of Rs. 10 each. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

The details of loans and investments covered under the provisions of section186 of the Companies Act, 2013, are given in the notes to the Financial Statements. During the year, the Company did not give any guarantee.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its renewable energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involved the risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability

- **Renewable Sources and Grid Availability**

  The risk identified by the Company is lower generation on account of lower radiation, wind speed, and Grid failures. The Company continuously studies the radiation levels and Wind Resources Assessment with historical data from reliable sources and accordingly sizes the plant and the financial models for arriving at the right tariff for the available conditions. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance.

Health and Safety

Across all its operational assets, sites and offices, the Company implements

policies that covers Health and safety. The Company strives for continuous improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalisation: - HSE digital software implemented for hazard reporting and risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors

During the year there were no changes in Director's of the Company.

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Ms. Anjali Lothe (DIN:10134848) retires by rotation and being eligible offers, herself for re-appointment. The proposal of re-appointment forms part of the Notice of the first AGM of the Company.

Board Meetings

During the year, the Board met three times on August 5, 2024, November 27, 2024 and March 24, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Director's Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Financial Statements

Pursuant to Section 2(41) of the Companies Act, 2013, the financial year of the companies incorporated after the 1st day of January of a year shall end on the 31st day of March of the following year, in respect whereof the financial statement of the company is made up. Accordingly, the Company has prepared the financial statements from the date of incorporation to March 31, 2025 as per Schedule III to the Companies Act, 2013, as amended from time to time.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar, Wind, and associated Renewable energy generation sources for commercial & industrial customers.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the company is a Subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the roll of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. It has complied with provisions relating to the constitution of the Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition, Redressal) Act, 2013. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as first statutory auditors of the Company by a circular resolution passed by the Board of Directors on August 27, 2024 to hold the office till the conclusion of 1st Annual General Meeting of the Company. The Auditor's Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work and support.

For and on behalf of the Board of Directors of
First Energy 11 Private Limited

Sumit Rathi
Director
DIN: 07727272

Anjali Lothe
Director
DIN: 10134848

Pune, April 30, 2025

First Energy 11 Private Limited

Independent auditor's report

To the Members of First Energy 11 Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of First Energy 11 Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from July 29, 2024 to March 31, 2025, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the period then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

12. As required by Section 143(3) of the Act, we report that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the period and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 does not have any pending litigations which would impact its financial position.

ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended March 31, 2025.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 21(viii) to the financial statements, 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, as disclosed in the Note 21(viii) to the financial statements, 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; and

(c) Based on such audit procedures that we 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 or paid any dividend during the period.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the period for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

13. The Company has not paid any remuneration to its directors during the period. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQH2901
Place: Pune
Date: May 7, 2025

First Energy 11 Private Limited

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of First Energy 11 Private Limited on the financial statements for the period ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of First Energy 11 Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQH2901
Place: Pune
Date: May 7, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of First Energy 11 Private Limited on the financial statements as of and for the period ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

i. (a) (A) The Company does not have any Property, Plant and Equipment and accordingly, reporting under clause 3(i)(a)(A), 3(i)(b), 3(i)(c) and 3(i)(d) of the Order is not applicable to the Company.

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

(b) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the period, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Accordingly, to this extent, the reporting under clause 3(iii), (iii)(a), (iii)(b),(iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax, and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the period in the tax assessments under the Income Tax Act, 1961.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the period, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the period. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the period. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the period, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the period by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the period. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has incurred cash losses of Rs. 2.97 lakhs in the financial year. The current financial year being the first period of incorporation of the Company, reporting under Clause (xvii) to the extent it relates to the immediately preceding financial year, is not applicable to the Company.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership Number: 137654

UDIN: 25137654BMODQH2901
Place: Pune
Date: May 7, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs , except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025
ASSETS		
Non-current assets		
Financial assets		
(a) Other financial assets	3	0.10
Deferred tax assets	4	-
Total non -current assets		**0.10**
Current assets		
Financial assets		
(a) Cash and cash equivalents	5	0.34
Other current assets	6	0.16
Total current assets		**0.50**
Total Assets		**0.60**
Equity and Liabilities		
Equity		
Equity share capital	7	1.00
Other equity	8	(2.97)
Total Equity		**(1.97)**
Current liabilities		
Financial liabilities		
(a) Trade payables	9	
i) total outstanding dues of micro and small enterprises		0.63
ii) total outstanding dues of creditors other than micro and small enterprises		1.73
Other current liabilities	10	0.21
Total current liabilities		**2.57**
Total Equity and Liabilities		**0.60**

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date.

Statement of Profit and Loss for the period July 29, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	July 29, 2024 to March 31, 2025
Income		-
Total Income		**-**
Expenses		
Other Expenses	11	2.97
Total Expenses		**2.97**
Loss before tax		**(2.97)**
Tax expense		
Current tax		-
Loss for the period		**(2.97)**
Other comprehensive income		**-**
Total comprehensive income for the period		**(2.97)**
Loss per equity share		
Basic and Diluted (nominal value per share Rs 10)	12	(29.67)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 11 Private Limited

Sumit Rathi
Director
DIN : 07727272

Anjali Lothe
Director
DIN : 10134848

Place : Pune
Date : April 30, 2025

First Energy 11 Private Limited

Statement of changes in equity for the period July 29, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	July 29, 2024 to March 31, 2025
A)	**Cash flows from operating activities**	
	Loss before tax	(2.97)
	Working capital adjustments	
	Increase in other current liabilities	0.21
	Increase in other financial assets	(0.10)
	Increase in other assets	(0.16)
	Increase in trade payables	2.36
	Cash generated from operations	**(0.66)**
	Income taxes paid	-
	Net cash used in operating activities	**(0.66)**
B)	**Cash flows from financing activities**	
	Proceeds from issue of equity shares	1.00
	Net cash flows from financing activities	**1.00**
	Net increase in cash and cash equivalents	**0.34**
	Cash and cash equivalents at the beginning of the period	-
	Cash and cash equivalents at the end of the period	**0.34**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025
Cash and cash equivalents (refer note 5)	0.34
Balances as per Cash flow statement	**0.34**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 11 Private Limited

Sumit Rathi
Director
DIN : 07727272

Anjali Lothe
Director
DIN : 10134848

Place : Pune
Date : April 30, 2025

Statement of changes in equity for the period July 29, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital

Particulars	Amount
As at July 29, 2024	**-**
Issue during the period	1.00
As at March 31, 2025	**1.00**

B Other Equity

Particulars	Retained Earnings	Total
As at July 29, 2024	**-**	**-**
Loss for the period	(2.97)	(2.97)
Other comprehensive income for the period	-	-
Total Comprehensive income for the period	**(2.97)**	**(2.97)**
As at March 31, 2025	**(2.97)**	**(2.97)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 11 Private Limited

Sumit Rathi
Director
DIN : 07727272

Anjali Lothe
Director
DIN : 10134848

Place : Pune
Date : April 30, 2025

First Energy 11 Private Limited

Notes to the Financial Statements for the period July 29, 2024 March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1 Corporate information

First Energy 11 Private Limited ("the Company") is a private limited company domiciled in India and incorporated on July 29, 2024 under the provisions of Indian Companies Act, 2013 is a subsidiary of First Energy Private Limited. The Company is primarily engaged in business as a producer of energy from renewable sources.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 30, 2025. The CIN of the Company is U35100PN2024PTC233096.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied, unless otherwise stated.

2.1 Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention except certain financial assets measured at fair value (refer accounting policy regarding financial instruments);

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss. There are currently no debt securities which are carried at FVTPL.

2.3. Summary of other accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when the Company has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from Sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in purchase power agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

b. Financial instruments

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.

Financial assets

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

i. Debt instruments at amortized cost

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Notes to the Financial Statements for the period July 29, 2024 March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Impairment of financial assets

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

c. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

d. Property, plant and equipment (PPE)

All items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15
Building	30	3 to 30

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

e. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

f. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

g. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

h. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

i. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of profit or loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of profit and loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

j. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

k. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

l. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

m. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

n. Rounding of amounts:

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

Notes to the Financial Statements for the period July 29, 2024 March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

3. Other Financial Assets (Non-current)

Particulars	As at March 31, 2025
Security deposit	0.10
Total	**0.10**

4. Deferred tax assets (net)

The company has tax losses of Rs 2.94 lakhs that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of the losses as they may not be used to offset taxable profit elsewhere in the company and there are no other tax planning opportunities or other evidences of recoverability in the near future. If the company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs 0.74 lakhs.

Particulars	Expiry date	As at March 31, 2025	
		Amount	Tax Impact
Tax Losses	FY 2032-33	2.94	0.74
Total		**2.94**	**0.74**

Reconciliation of tax expenses and the accounting profit multiplied by tax rate

Particulars	July 29, 2024 to March 31, 2025
Loss before tax	(2.97)
Income tax rate	25.16%
Expected tax expense	(0.74)
Deferred tax not recognised on losses and depreciation	0.74
Total tax expense	**-**

5. Cash and cash equivalents

Particulars	As at March 31, 2025
Balances with banks	
- in current accounts	0.34
Total	**0.34**

There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

6. Other current assets

Particulars	As at March 31, 2025
Prepaid expenses	0.16
Total	**0.16**

7. Equity Share Capital

a. Authorised Equity Share Capital

Particulars	No. of shares	Amount
As at July 29, 2024		
Increase during the period	10,000	0.10
As at March 31, 2025	**10,000**	**0.10**

b. Issued, Subscribed and Paid up Share Capital

Particulars	No. of shares	Amount
As at July 29, 2024	**-**	**-**
Changes during the period	10,000	1.00
As at March 31, 2025	**10,000**	**1.00**

c) Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d. Equity shares held by ultimate holding / holding company

Particulars	As at March 31, 2025	
	No. of shares	Amount
Holding company		
First Energy Private Limited, India (including 4 shares held by nominee shareholders)	10,000	1.00
Equity shares of Rs.10 each		

e. Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025
(i) First Energy Private Limited, India	
% Holding	100.00%
No. of shares	10,000

f. Shares held by promoters at the end of the period

Name of Promoter	As at March 31, 2025	
	Number of shares	% of total number of shares
First Energy Private Limited, India	10,000	100.00%

g. Aggregate number of shares issued for consideration other than cash :

There are no shares issued for consideration other than cash or by way of bonus shares during the current period.

8. Other equity

Particulars	As at March 31, 2025
Retained Earnings	
Opening Balance	-
Add : Loss for the period	(2.97)
	(2.97)
Total	**(2.97)**

9. Trade Payables

Particulars	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises (refer note 20)	0.63
Total outstanding dues of creditors other than micro enterprises and small enterprises	
i) Related parties	-
ii) Others	1.73
Total	**2.36**

First Energy 11 Private Limited

Notes to the Financial Statements for the period July 29, 2024 March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for following periods from due date of payment				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	0.63	-	-	-	-	-	0.63
(ii) Others	1.73	-	-	-	-	-	1.73
Total	**2.36**	**-**	**-**	**-**	**-**	**-**	**2.36**

10. Other Current Liabilities

Particulars	July 29, 2024 to March 31, 2025
Statutory dues payable	0.21
Total	**0.21**

11. Other Expenses

Particulars	July 29, 2024 to March 31, 2025
Rates and taxes	0.25
Legal and professional fees	0.95
Auditor's remuneration (Refer note below)	1.77
Total	**2.97**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current period.

Note: Auditor's remuneration

Particulars	July 29, 2024 to March 31, 2025
Statutory Audit Fees (Including GST)	1.77
Total	**1.77**

12 Loss per share

Particulars	July 29, 2024 to March 31, 2025
Net Loss attributable to the Equity shareholders of the Company (In Rs. Lakhs)	(2.97)
Weighted average number of Equity shares of Rs.10/- each	10,000
Basic and Diluted Loss per share (In Rs.)	**(29.67)**

13 Contingent Liabilities and commitments

Contingent Liabilities

There are no liabilities of contingent nature.

Capital and other commitment

There are no capital or other commitment.

14. Related party disclosures

A Immediate Holding Company

First Energy Private Limited

B Ultimate Holding Company

RDA Holdings Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Key Management Personnel:

1 Mrs. Anjali Lothe - Director (w.e.f. July 29, 2024)

2 Mr. Sandeep Mandke- Director (w.e.f. July 29,2024)

3 Mr. Sumit Rathi- Director (w.e.f July 29, 2024)

E Transactions with Related parties:

Particulars	July 29, 2024 to March 31, 2025
With Immediate Holding Company	
First Energy Private Limited	
Subscription for equity shares by holding company	1.00

F Outstanding balances

There are no outstanding balances with related parties as on March 31, 2025.

15. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particulars	As at March 31, 2025
Trade payable	2.36
Total	**2.36**
Current liabilities	2.36
Non current liabilities	-
Total	**2.36**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at amortised cost

Particulars	As at March 31, 2025
Other financial assets	0.10
Cash and cash equivalents	0.34
Total	**0.44**
Current assets	0.34
Non-current assets	0.10
Total	**0.44**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

16 Financial risk management

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include cash and cash equivalents.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

Company's management is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the company reviews and agrees policies for managing each of these risks, which are summarised below.

I 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

Notes to the Financial Statements for the period July 29, 2024 March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

prices. Market risk comprises two types of risk: interest rate risk, currency risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

a) Interest rate risk

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

The Company does not have any exposure to interest rate changes at the end of the reporting period, currently as there are no borrowings with variable rates.

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the current period and hence not exposed to any foreign currency risk.

II 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 currently exposed to credit risk from its operating activities from its investing activities, including deposits with banks.

Credit risk from balances with banks and financial institutions is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counter parties. Identified impairment loss for the assets is immaterial.

The Company's maximum exposure to credit risk for bank balances and deposits as at March 31, 2025 is the carrying amounts as disclosed in notes to accounts.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

As at March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Trade Payables	2.36	-	-	-

17. Analytical ratios

S. No.	Particulars	Numerator	Denominator	As at March 31, 2025
1	Current Ratio	Current Assets	Current Liabilities	0.20
2	Return on equity ratio	Net Profits after taxes	Shareholder's Equity	302%
3	Return on capital employed	Earning before interest and taxes	Capital Employed	151%
4	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	1.25

Capital employed = Tangible Net worth + total debt

18. Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

The Company is debt free and has cash balance, details of which is given below:

Particulars	As at March 31, 2025
Borrowings	-
Less: Cash and cash equivalents	0.34
Net cash portion	**0.34**

19. Segment information

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz. "Producer of power through renewable energy source". Hence, the Company does not have any reportable segment as per IND AS-108 "Operating Segments".

20. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	
- Principal amount dues to micro and small enterprises	0.63
- Interest due thereon	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-
The amount of payment made to the supplier beyond the appointed day during the year	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-

Notes to the Financial Statements for the period July 29, 2024 March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	As at March 31, 2025
The amount of interest accrued and remaining unpaid at the end of each accounting period	-
The amount of further interest remaining due and payable even in the succeeding period, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-

21. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which are yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current period.

(iv) There is no income surrendered or disclosed as income during the current year or comparative period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared willful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current period.

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

22. Compliance with Section 143 (3) for Audit Trail

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with regulations.

23. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

24. The Company was incorporated on July 29, 2024. The financial statements are prepared for the period July 29, 2024 to March 31, 2025 as the first financial statement of the Company. Hence, comparative amounts do not exist for the current period.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pawankumar Somani
Partner
Membership No.: 137654

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
First Energy 11 Private Limited

Sumit Rathi
Director
DIN : 07727272

Anjali Lothe
Director
DIN : 10134848

Place : Pune
Date : April 30, 2025

JALANSAR WIND ENERGY PRIVATE LIMITED

Board of Directors
Ravi Damaraju
Sumit Rathi
Anjali Lothe

Corporate Office
Unit No. 601, 6th Floor,
Cello Platina, Fergusson College Road,
Model Colony, Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Bankers
Yes Bank Limited

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure to present the Eighth Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	92.81	100.53
Profit before finance cost, depreciation, and tax	71.82	80.26
Finance Cost	52.16	58.83
Profit before depreciation and tax	19.66	21.43
Depreciation and impairment	31.01	31.09
Profit/(Loss) before tax	(11.35)	(9.66)
Provision for taxation (incl. deferred tax)	-	(1.51)
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(11.35)	(8.15)

State of Company's Affairs

During the year, the company has commissioned a Renewable Energy Project with a Solar capacity of 1.1 MW/ 1.6 MWp in December 2023 and has been operational since then.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

The directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the company. The Paid-up Share Capital of the Company is Rs. 2,21,50,000 divided into 22,15,000 Equity Shares of Rs.10 each. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

During the year under review, the Company did not make any investment nor did the company give any loan or guarantee pursuant to the provisions of Section 186 of the Companies Act, 2013.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its renewable energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involves risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The major risk identified by the Company is generation loss due to lower radiation, and Grid failures. The Company continuously studies the radiation levels with historical data from reliable sources. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using water cleaning modules at regular frequency.

Health and Safety

Across all its operational assets, sites and offices, the Company implements policies that covers Health and safety. The Company strives for continuous

improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalisation: - HSE digital software implemented for hazard reporting and risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sumit Rathi (DIN: 07727272) retires by rotation and being eligible offers, himself for re-appointment. The proposal of re-appointment forms part of the Notice of the Eighth AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani (DIN: 01853530) resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Chandrasekar Sureshnathan (DIN: 08180321) was appointed as an Additional Director of the Company w.e.f. May 2, 2024.
- Mr. Sandeep Mandke (DIN: 09619581) resigned as the Director of the Company w.e.f. May 2, 2024.
- Mr. Sumit Rathi (DIN: 07727272) was appointed as an Additional Director of the Company w.e.f. April 3, 2024.
- Ms. Anjali Lothe (DIN: 10134848) was appointed as an Additional Director of the Company w.e.f. June 24, 2024.
- Mr. Chandrasekar Sureshnathan (DIN: 08180321) resigned as an Additional Director of the Company w.e.f. June 25, 2024.

Board Meetings

The Board met four times during the year under review on May 2, 2024, July 26, 2024, November 4, 2024 and January 24, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs during the year.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar, Wind, and associated Renewable energy generation sources for commercial & industrial customers.

As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning. In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

In the case of Technology absorption, the Company used higher rated (>540Wp) Monoperc PV modules with better efficiency, a structure designed to withstand the wind load and string type Solar Inverters designed for outdoor installation.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the company is a Subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the rolls of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

- Grid tariffs for next FY 2025-26 was proposed by the state distribution company. The proposed changes included solar hour discounts and reduced banking benefits, which if implemented, would have led to reduced captive arbitrage for the Company's customers. The Holding Company represented its objections on the proposal, to the state commission. The final provisions (under consideration with state commission) have reduced solar hours discounts, retention of banking facility and a request to institutionalize battery capacities for solar open access projects in the state, thereby having positive impact to business.
- The State energy department-initiated process for formulating state's Integrated Energy Policy. The Holding company is part of the engagement and has tabled suggestions/policy recommendations for captive open access projects, and battery projects in the state.

Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five year from the conclusion of the 6th Annual General Meeting (AGM) till the conclusion of the 11th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
Jalansar Wind Energy Private Limited

Sumit Rathi	**Ravi Damaraju**
Director	Director
DIN: 07727272	DIN - 09554649

Pune, April 30, 2025

JALANSAR WIND ENERGY PRIVATE LIMITED

Independent auditor's report

To the Members of Jalansar Wind Energy Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Jalansar Wind Energy Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

12. As required by Section 143(3) of the Act, we report that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 does not have any pending litigations which would impact its financial position.

ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 32(viii) to the financial statements, 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, as disclosed in the Note 32(viii) to the financial statements, 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; and

(c) Based on such audit procedures that we 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 or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

13. The Company has not paid any remuneration to its directors during the period. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJE4074
Place: Pune
Date: May 7, 2025

JALANSAR WIND ENERGY PRIVATE LIMITED

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Jalansar Wind Energy Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Jalansar Wind Energy Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJE4074
Place: Pune
Date: May 7, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of Jalansar Wind Energy Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy sources and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans during the year ended March 31, 2025 and there was no unutilized balance of term loan obtained in earlier years as on April 1, 2024. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that the Company has utilised funds raised on short-term basis aggregating Rs 2.03 lakhs for long-term purposes.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly,

the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJE4074
Place: Pune
Date: May 7, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particular	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	738.82	769.83
Financial assets			
(a) Other financial assets	4(a)	0.71	0.71
Deferred tax assets (net)	5	-	-
Income tax assets (net)	6	0.26	0.13
Total non-current assets		**739.79**	**770.67**
II. Current assets			
Financial assets			
(a) Trade receivables	7	8.59	8.08
(b) Cash and cash equivalents	8(a)	6.98	7.93
(c) Bank balance other than (b) above	8(b)	23.61	23.47
(d) Other financial assets	4(b)	0.26	0.32
Other current assets	9	2.16	2.10
Total current assets		**41.60**	**41.90**
Total Assets		**781.39**	812.57
EQUITY AND LIABILITIES			
III. Equity			
Equity share capital	10	221.50	221.50
Other equity	11	(39.09)	(27.74)
Total Equity		**182.41**	**193.76**
Liabilities			
IV. Non-current liabilities			
Financial liabilities			
(a) Borrowings	12(a)	484.99	507.59
Contract liabilities	13(a)	49.82	31.15
Total Non-current liabilities		**534.81**	**538.74**
V. Current liabilities			
Financial liabilities			
(a) Borrowings	12(b)	40.54	57.01
(b) Trade payables	14		
i) total outstanding dues of micro enterprises and small enterprises		2.08	1.64
ii) total outstanding dues of creditors other than micro enterprises and small enterprises		2.53	3.84
(c) Other financial liabilities	15	11.41	10.37
Contract liabilities	13(b)	7.40	7.21
Other current liabilities	16	0.21	-
Total current liabilities		**64.17**	**80.07**
Total Equity and Liabilities		**781.39**	**812.57**

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particular	Note No.	For the year ended March 31, 2025	For the year ended March 31, 2024
Income			
Revenue from operations	17	90.69	93.52
Other income	18	2.12	7.01
Total Income		**92.81**	**100.53**
Expenses			
Finance costs	19	52.16	58.83
Depreciation expense	20	31.01	31.09
Other expenses	21	20.99	20.27
Total Expenses		**104.16**	**110.19**
Loss before tax		**(11.35)**	**(9.66)**
Tax expense			
Current tax		-	-
Deferred tax	5	-	(1.51)
Total tax expense		**-**	**(1.51)**
Loss for the year		**(11.35)**	**(8.15)**
Other comprehensive income		**-**	**-**
Total comprehensive income for the year		**(11.35)**	**(8.15)**
Loss per equity share			
Basic & Diluted [nominal value per share ₹ 10/-]	22	(0.51)	(0.37)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

For and on behalf of the Board of Directors of
Jalansar Wind Energy Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Place: Pune
Date: April 30, 2025

JALANSAR WIND ENERGY PRIVATE LIMITED

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Lakhs , except stated otherwise)

	Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
A)	**Cash flows from operating activities**		
	Loss before tax	(11.35)	(9.66)
	Adjustments for		
	Depreciation expense	31.01	31.09
	Finance costs	52.16	58.83
	Interest income from financial assets at amortised cost	(1.86)	(1.44)
	Provision no longer required written back	(0.25)	-
	Working capital adjustments		
	(Increase)/ decrease in trade receivables	(0.51)	8.45
	(Increase)/ decrease in other financial assets	-	11.83
	(Increase) in other assets	(0.06)	(0.73)
	(Decrease) in trade payables	(0.63)	(4.68)
	Increase in contract and other liabilities	14.25	13.68
	Increase in other current liabilities	0.22	-
	Cash generated from operating activities	**82.98**	**107.37**
	Income taxes paid	(0.13)	(0.13)
	Net cash generated from operating activities	**82.85**	**107.24**
B)	**Cash flows from investing activities**		
	Payment for property, plant and equipment	-	(16.39)
	Fixed deposits placed with banks	(0.14)	(23.47)
	Interest received	1.92	1.12
	Net cash flows from /(used in) investing activities	**1.78**	**(38.74)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	-	33.00
	Repayment of borrowings	(37.00)	(54.94)
	Transaction cost for availing borrowing	-	(3.23)
	Interest paid	(48.58)	(56.45)
	Net cash flows used in financing activities	**(85.58)**	**(81.62)**
	Net decrease in cash and cash equivalents	**(0.95)**	**(13.12)**
	Cash and cash equivalents at the beginning of the financial year	7.93	21.05
	Cash and cash equivalents at the end of the financial year	**6.98**	**7.93**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025	March 31, 2024
Cash and cash equivalents [refer note 8(a)]	6.98	7.93
Balances as per Statement of Cash Flows	**6.98**	**7.93**

Notes:

i) The Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.
ii) Refer note 12(b) for net debt reconciliation

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
Jalansar Wind Energy Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Place: Pune
Date: April 30, 2025

Statement of changes in equity for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at April 1, 2023	**221.50**
Issued during the year	-
As at March 31, 2024	**221.50**
Issued during the year	-
As at March 31, 2025	**221.50**

B. Other Equity

Particulars	Retained Earnings	Total
As at April 1, 2023	**(19.59)**	**(19.59)**
Loss for the year	(8.15)	(8.15)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(8.15)**	**(8.15)**
As at March 31, 2024	**(27.74)**	**(27.74)**
Loss for the year	**(11.35)**	**(11.35)**
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(11.35)**	**(11.35)**
As at March 31, 2025	**(39.09)**	**(39.09)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
Jalansar Wind Energy Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Place: Pune
Date: April 30, 2025

JALANSAR WIND ENERGY PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1 Corporate information

Jalansar Wind Energy Private Limited ("the Company") is a private limited company domiciled in India and incorporated on March 27, 2017 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business as a producer of solar power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 30, 2025. The CIN of the Company is U40300PN2017PTC219725.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1 Basis of preparation and measurement

(a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

(b) Historical cost convention

The financial statements have been prepared on the historical cost convention;

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in power purchase agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in statement of cash flows.

2.4. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. There are currently no debt securities which are carried at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Property, Plant and Equipment (PPE)

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest

income is included in finance income in the Statement of Profit and Loss.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

j. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

k. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be

required to settle the obligation or a reliable estimate of the amount cannot be made.

l. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

m. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected generation based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would lead to recoverable amount and conclusion on impairment assessment.

ii. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

iii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget over the useful life of assets as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows. The estimates involved includes long term debt cost, cost of equity and long term debt equity ratio.

iv. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

v. Deferred taxes

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

3 . Property, Plant and Equipment

Particulars	Land Freehold	Solar Power Plant	Total
Gross Block			
As at April 1, 2023	25.93	782.64	808.57
Additions	-	-	-
Deletion	-	-	-
As at March 31, 2024	**25.93**	**782.64**	**808.57**
Additions	-	-	-
Deletion	**-**	**-**	**-**
As at March 31, 2025	**25.93**	**782.64**	**808.57**
Depreciation			
As at April 1, 2023	-	7.65	7.65
For the year	-	31.09	31.09
As at March 31, 2024	**-**	**38.74**	**38.74**
For the year	-	31.01	31.01
As at March 31, 2025	**-**	**69.75**	**69.75**
Net Block			
As at March 31, 2024	**25.93**	**743.90**	**769.83**
As at March 31, 2025	**25.93**	**712.89**	**738.82**

i) See note 12 for information on property, plant and equipment pledged as security by the Company.

ii) See note 24 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4(a). Other Financial Assets (non-current)

Particular	As at March 31, 2025	As at March 31, 2024
Security deposits	0.71	0.71
Total	**0.71**	**0.71**

4(b). Other financial assets (Current)

Particular	As at March 31, 2025	As at March 31, 2024
Interest accrued on fixed deposits	0.26	0.32
Total	**0.26**	**0.32**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

5. Deferred Tax Assets (net)

Particular	As at March 31, 2025	As at March 31, 2024
Deferred tax asset		
Losses available for offsetting against future taxable income	112.41	80.97
Others	14.40	10.25
Total	**126.81**	**91.22**
Deferred tax liability		
Property, plant and equipment	121.82	91.22
Ind AS impact on borrowings	4.99	-
Total	**126.81**	**91.22**
Total	**-**	**-**

The Company has tax losses of Rs. 18.46 lakhs (March 31, 2024: Rs. 28.06 lakhs) that are available for offsetting of future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs. 4.65 lakhs (March 31, 2024: 7.06 lakhs).

Particulars	Expiry Date	As at March 31 2025		As at March 31 2024	
		Amount	Tax Impact	Amount	Tax Impact
Unabsorbed depreciation	No expiry period	18.46	4.65	28.06	7.06
Total		**18.46**	**4.65**	**28.06**	**7.06**

The income tax expense consists of following:

Particular	As at March 31, 2025	As at March 31, 2024
Current tax expense	-	-
Deferred tax (benefit) / charge	-	(1.51)
	-	**(1.51)**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit or Loss is as follows:

Particular	As at March 31, 2025	As at March 31, 2024
Loss before tax	(11.35)	(9.66)
Income tax rate	25.17%	25.17%
Expected tax expense /(credit)	(2.86)	(2.43)
Losses on which deferred tax asset has not been recognised	2.86	0.92
Total tax expense	**-**	**(1.51)**

6. Income Tax Assets (net)

Particular	As at March 31, 2025	As at March 31, 2024
Opening Balance	0.13	-
Add: Taxes paid during the year	0.13	0.13
Less: Current tax payable for the year	-	-
Total	**0.26**	**0.13**

7. Trade Receivables

Particular	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
- Unbilled*	8.59	8.08
- Billed	-	-
Total	**8.59**	**8.08**
Break-up for security details:		
Trade receivables considered good - Unsecured	8.59	8.08
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	8.59	**8.08**
Less: impairment allowance	-	-
Total	**8.59**	**8.08**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivable is 'unbilled' because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade Receivables ageing

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	8.59	-	-	-	-	-	-	8.59
Total	**8.59**	**-**	**-**	**-**	**-**	**-**	**-**	**8.59**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed Trade Receivables- considered good	8.08	-	-	-	-	-	-	8.08
Total	**8.08**		**-**	**-**	**-**	**-**	**-**	**8.08**

8(a). Cash and cash equivalents

Particular	As at March 31, 2025	As at March 31, 2024
Balance with Bank		
- In current accounts	6.98	7.93
Total	**6.98**	**7.93**

8(b). Other bank balances

Particular	As at March 31, 2025	As at March 31, 2024
Balance with bank		
Deposits with original maturity of more than three months less than twelve months*	23.61	23.47
Total	**23.61**	**23.47**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against Borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to INR 22.50 lakhs.

9. Other current assets

Particular	As at March 31, 2025	As at March 31, 2024
Receivable from government authorities	-	0.13
Prepaid expenses	2.16	1.97
Total	**2.16**	**2.10**

10 Share Capital

a. Authorised Share Capital

Equity shares of ₹ 10 each

Particular	No. of Shares	Amount
As at April 1, 2023	**3,350,000**	**335.00**
Increase during the year	-	-
As at March 31, 2024	**3,350,000**	**335.00**
Increase during the year	-	-
As at March 31, 2025	**3,350,000**	**335.00**

b. Issued, Subscribed and Fully Paid up Share Capital

Equity shares of ₹ 10 each

Particular	No. of Shares	Amount
As at April 1, 2023	**2,215,000**	**221.50**
Changes during the year	-	-
As at March 31, 2024	**2,215,000**	**221.50**
Changes during the year	-	-
As at March 31, 2025	**2,215,000**	**221.50**

c. Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d. Equity shares held by holding company

Name of Company	As at March 31 2025		As at March 31 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Private Limited (including 6 shares held by nominee shareholders)	1,639,000	163.90	1,639,000	163.90
Equity shares of ₹ 10 each				

e. Details of shareholders holding more than 5% of the aggregate shares in the Company

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited, India		
% Holding	74.00%	74.00%
No. of shares	1,639,000	1,639,000
(ii) Indoco Remedies Limited		
% Holding	26.00%	26.00%
No. of shares	576,000	576,000

f. Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited	1,639,000	74.00%	1,639,000	74.00%	-

(g) Aggregate number of shares issued for consideration other than cash :

There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately proceding the reporting date.

11. Other Equity

Particular	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	(27.74)	(19.59)
Add: Loss for the year	(11.35)	(8.15)
Total	**(39.09)**	**(27.74)**

12(a). Non-current borrowings

Particular	As at March 31, 2025	As at March 31, 2024
Secured loans from Bank		
Indian rupee loans from banks*	505.53	544.60
Less: Current maturities of long-term debt (included in current borrowings)	20.54	37.01
Total	**484.99**	**507.59**

*After considering unamortised expense of Rs. 19.83 lakhs as at March 31, 2025 (March 31, 2024 - Rs 17.77 lakhs).

Aggregate secured borrowings	484.99	507.59
Aggregate unsecured borrowings	-	-

(a) Loans are measured at amortised cost.

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from Yes Bank	March 31, 2042	76 structured quarterly Installment start from June 30, 2023	8.61% p.a.(Interest rate 3M MCLR)	505.53	544.60

Note: As at March 31, 2025 and March 31, 2024, the Company has not complied with some of the covenants under loan agreements in respect of secured borrowings from bank of Rs. 505.53 lakhs (March 31, 2024 - Rs. 544.60 lakhs). The Company has received confirmation from the Bank that the said borrowing will not be recalled as a consequence of such breach.

(b) Details of security

Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of the total shares of the Company, held by the holding company.

12(b) Borrowings (current)

Particular	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of long-term debt	20.54	37.01
Unsecured loans		
Loan from Holding Company	20.00	20.00
Total	**40.54**	**57.01**
Aggregate secured borrowings	20.54	37.01
Aggregate unsecured borrowings	20.00	20.00

Particular	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from holding company	June 25, 2025	Single payment at end of the term	8.45% (March 31, 2024 - 8.45%)	20.00	20.00

Net debt reconciliation

Particular	As at March 31, 2025	As at March 31, 2024
Borrowings	(525.53)	(564.60)
Other Bank Balance	23.61	23.47
Interest accrued	(6.77)	(5.73)
Cash and cash equivalents	6.98	7.93
Net debt	**(501.71)**	**(538.93)**

Particular	Other assets		Liabilities from financing activities	Total
	Cash and cash equivalents	Other Bank Balance	Borrowings including accrued interest	
Net debt as at April 1, 2023	**21.05**	**-**	**(594.57)**	**(573.52)**
Cash flows	(13.12)	23.47	25.17	35.52
Interest Expenses	-	-	(57.38)	(57.38)
Interest paid	-	-	56.45	56.45
Net debt as at March 31, 2024	**7S.93**	**23.47**	**(570.33)**	**(538.93)**
Cash flows	(0.95)	0.14	37.00	36.19
Interest Expenses	-	-	(47.55)	(47.55)
Interest paid	-	-	48.58	48.58
Net debt as at March 31, 2025	**6.98**	**23.61**	**(532.30)**	**(501.71)**

13(a). Contract liabilities (Non-current)

Particular	As at March 31, 2025	As at March 31, 2024
Unearned revenue	49.82	31.15
Total	**49.82**	**31.15**

13(b). Contract liabilities (Current)

Particular	As at March 31, 2025	As at March 31, 2024
Unearned revenue	7.40	7.21
Total	**7.40**	**7.21**

14: Trade payables

Particular	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises (Refer note 30)	2.08	1.64
Total dues of creditors other than micro enterprises and small enterprises		
i) Related parties	-	1.19
ii) Others	2.53	2.65
Total	**4.61**	**5.48**

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	2.04	-	-	-	0.04	-	2.08
(ii) Others	2.33	0.06	0.14	-	-	-	2.53
Total	**4.37**	**0.06**	**0.14**	**-**	**0.04**	**-**	**4.61**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	1.60	-	-	0.04	-	-	1.64
(ii) Others	3.02	0.34	0.48	-	-	-	3.84
Total	**4.62**	**0.34**	**0.48**	**0.04**	**-**	**-**	**5.48**

15. Other current financial liabilities

Particular	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipment	4.64	4.64
Interest accrued but not due on loans	6.77	5.73
Total	**11.41**	**10.37**

16. Other current liabilities

Particular	As at March 31, 2025	As at March 31, 2024
Statutory tax payables	0.21	-
Total	**0.21**	**-**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

17 Revenue from operations

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from contract with customers:		
Revenue from power supply	90.69	93.52
Total	**90.69**	**93.52**

Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	90.69	93.52
At a point-in-time basis	-	-
Total revenue from contracts with customers	**90.69**	**93.52**
ii) Revenue by geographical market:		
Within India	90.69	93.52
Outside India	-	-
Total revenue from contracts with customers	**90.69**	**93.52**

iii) Contract balances

The following table provides information about contract balances from contracts with customers as at the reporting date:

Particular	As at March 31, 2025	As at March 31, 2024
Contract Liabilities (Refer note 13(a) and 13(b))	57.22	38.36

The contract liabilities relate to unearned revenue where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company's cash positions.

Contract liabilities have increased because the Company has received advance as per the agreed payment schedule.

iv) Reconciliation between revenue recognised in Statement of profit and loss and contract price

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Contract price	82.93	86.16
Adjustments for:		
Significant Financing Component	7.76	7.36
Total Revenue recognised	**90.69**	**93.52**

v) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

Unearned revenue	7.76	7.36

vi) The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

18 Other income

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income from financial assets at amortised cost	1.86	1.44
Interest on income tax and sales tax refund	0.01	-
Net reversal of corporate overhead allocation	-	3.01
Provision no longer required written back	0.25	2.56
Total	**2.12**	**7.01**

19 Finance costs

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expenses on financial liabilities measured at amortised cost		
- to bank	45.86	55.87
- to holding company	1.69	1.51
Other finance cost	4.61	1.45
Total	**52.16**	**58.83**

20 Depreciation Expense

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	31.01	31.09
Total	**31.01**	**31.09**

21 Other expenses

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Operation & Maintenance Charges	5.11	5.00
Site Expenses	1.66	4.32
Electricity expenses	2.66	2.65
Rates and taxes	0.58	0.97
Insurance	1.29	1.29
Technical charges	0.21	0.12
Travelling and conveyance	0.12	0.27
Communication expenses	-	0.02
Printing and stationery	-	0.03
Professional charges	3.55	3.80
Auditor's remuneration (refer note below)	0.59	0.59
Management fees	4.02	-
Miscellaneous expenses	1.20	1.21
Total	**20.99**	**20.27**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current and previous year.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Note: Auditor's remuneration

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory Audit Fees (Including GST)	0.59	0.59
Total	**0.59**	**0.59**

22 Loss per share

Particular	As at March 31, 2025	As at March 31, 2024
Net Loss attributable to the Equity shareholders of the Company	(11.35)	(8.15)
Weighted average number of Equity shares of Rs.10/- each	2,215,000	2,215,000
Basic and Diluted Loss per share	**(0.51)**	**(0.37)**

23 Contingent liabilities

There are no liabilities of contingent nature.

24. Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Nil (March 31, 2024 - Nil).

25 Related party disclosures

A Holding Company

First Energy Private Limited

B Ultimate Holding Company

RDA Holding Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Entities under common control with whom there have been transactions during the year:

First Energy 2 Private Limited

Kanakal Wind Energy Private Limited

E Key Management Personnel:

1 Mr. Ravi Damaraju - Director

2 Mr. Mitish Somani - Director (Till April 5, 2024)

3 Mr. Sandeep Mandke - Director (Till May 2, 2024)

4 Mr. Sumit Rathi - Director (w.e.f. April 4, 2024)

5 Ms. Anjali Lothe - Director (w.e.f. June 24, 2024)

6 Mr. Chandrasekar Sureshnathan - Director (w.e.f. May 2, 2024 till June 25, 2024)

F Transactions with Related parties:

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
With Immediate Holding Company		
First Energy Private Limited		
Management fees	4.02	-
Reversal of Corporate overheads (net)	-	3.01
Loan Taken	-	26.00
Loan Repaid	-	6.00
Interest charged	1.69	1.51
Entities under common control		
First Energy 2 Private Limited		
Reimbursement of expenses paid	0.53	2.85
Kanakal Wind Energy Private Limited		
Reimbursement of expenses	-	0.07

G Outstanding balances

Particular	March 31, 2025	March 31, 2024
First Energy Private Limited		
Payable for property, plant and equipment	4.63	4.63
Trade payables	-	1.17
Borrowings	20.00	20.00
Interest accrued but not due	2.86	1.34
Entities under common control		
First Energy 2 Private Limited		
Trade payables	-	0.01
Kanakal Wind Energy Private Limited		
Trade payables	-	0.01

H Terms and conditions

All outstanding balances are unsecured, interest free except for borrowings, and payable in cash. For details of interest on borrowings, refer note 12.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

26. Fair value measurements

Break up of financial liabilities carried at amortised cost

Particular	As at March 31, 2025	As at March 31, 2024
Trade payables	4.61	5.48
Other liabilities	11.41	10.37
Borrowings	525.53	564.60
Total	**541.55**	**580.45**
Current liabilities	56.56	72.86
Non current liabilities	484.99	507.59
Total	**541.55**	**580.45**

Break-up of financial assets carried at amortised cost

Particular	As at March 31, 2025	As at March 31, 2024
Trade receivables	8.59	8.08
Other financial assets	0.97	1.03
Cash and cash equivalents	6.98	7.93
Bank balances other than cash and cash equivalents	23.61	23.47
Total	**40.15**	**40.51**
Current assets	39.44	39.80
Non-current assets	0.71	0.71
Total	**40.15**	**40.51**

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

27 Financial risk management

The Company's principal financial liabilities, comprise borrowings, trade and 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, and cash and cash equivalents that it derives directly from its operations.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

Management of the Company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. Management of the Company reviews and agrees policies for managing each of these risks, which are summarised below.

I 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 two types of risk: interest rate risk and currency risk. The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows:

Particulars	March 31, 2025	March 31, 2024
Variable rate borrowings	505.53	544.60

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

March 31, 2025

Particulars	Increase/decrease in %	Impact on loss before tax
Variable rate borrowings	Increase in 25 basis point	(1.37)
	Decrease in 25 basis point	1.37

March 31, 2024

Particulars	Increase/decrease in %	Impact on loss before tax
Variable rate borrowings	Increase in 50 basis point	(2.91)
	Decrease in 50 basis point	2.91

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The company has not entered into any foreign currency transaction during the current year and comparative period and hence not exposed to any foreign currency risk.

II 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.

Expected credit loss for

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes above. There is no charge of impairment to Statement of Profit and Loss.

Expected credit loss for contract assets under simplified approach

	As at March 31, 2025		
Trade receivables	**Gross**	**Expected loss rate**	**Expected loss allowance**
Unbilled	8.59	0%	-
Less than 6 months	-	0%	-
Total	**8.59**		**-**

	As at March 31, 2024		
Trade receivables	**Gross**	**Expected loss rate**	**Expected loss allowance**
Unbilled	8.08	0%	-
Less than 6 months	-	0%	-
Total	**8.08**		**-**

Balance with Banks

Credit risk from balances with banks is managed by the Parent Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits which is considered to be low risk. No loss allowance is required to be recognised for the same.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on an on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	40.54	44.65	45.61	414.56
Trade payables	4.61	-	-	-
Other financial liabilities	11.41	-	-	-

March 31, 2024

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	57.01	42.27	45.13	437.96
Trade payables	5.48	-	-	-
Other financial liabilities	10.37	-	-	-

28 Analytical ratios

S. No.	Particulars	Numerator	Denominator	For the year ended March 31, 2024	For the year ended March 31, 2023	Variance	Reasons for variance of more than 25%
1	Current Ratio	Current Assets	Current Liabilities	0.65	0.52	25%	Not applicable
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	2.88	2.91	-1%	Not applicable
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	0.81	0.73	11%	Not applicable
4	Return on Equity	Net Profit/(loss) after taxes	Average Shareholder's Equity	-6.03%	-4.12%	46%	Due to increase in loss
5	Return on Investment	Investment income	Average investment	7.91%	6.14%	29%	Due to increase in investment yield
6	Return on Capital employed	Earning before interest and taxes	Capital Employed	5.76%	6.48%	-11%	Not applicable
7	Net Profit Ratio	Net Profits/(loss) after taxes	Revenue	-12.51%	-8.71%	44%	Due to increase in loss
8	Trade Receivables turnover Ratio	Total Sales	Average Trade Receivable	10.88	7.60	43%	Due to decrease in average receivables balance
9	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	4.16	2.59	61%	Due to decrease in average trade payables
10	Net capital turnover Ratio	Total Sales	Working Capital	-4.02	-2.46	63%	Due to increase in working capital

Working Capital = Current assets less Current liabilities

Capital employed = Tangible Net worth + total debt

Average = (Opening + Closing)/2

29. Capital Management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particular	March 31, 2025	March 31, 2024
Borrowings including accrued interest	532.30	570.33
Less: Cash and cash equivalents (includes other bank balances)	30.59	31.40
Net debt	**501.71**	**538.93**
Equity	182.41	193.76
Net Debt to Equity	**2.75**	**2.78**

There is no material variation in debt to equity ratio.

Loan Covenants

Under the terms of the borrowing facilities, the Company is required to comply with the following financial covenants:

(i) Debt to Equity ratio of 3:1 is maintained;

(ii) Debt Service Coverage ration of 1.10x is maintained; and

(iii) Debt to Tangible net worth is less than or equal to 3:1

Financial Covenant are tested based on the audited financial statements annually within a period of 6 (six) months from the end of the relevant Financial Year.

Some of the debt covenants were not complied as at March 31, 2024 and March 31, 2025, refer note 12 for details.

30. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount dues to micro and small enterprises	2.08	1.64
	- Interest due thereon	0.01	0.01
b)	The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	The amount of payment made to the supplier beyond the appointed day during the year	0.70	-
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.01	0.26
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.02	0.27
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	0.29	0.27

31. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

32 Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

(iv) There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

33. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with the regulations.

34. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date: May 7, 2025

For and on behalf of the Board of Directors of
Jalansar Wind Energy Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Place: Pune
Date: April 30, 2025

KANAKAL WIND ENERGY PRIVATE LIMITED

Board of Directors
Ravi Damaraju
Sumit Rathi
Anjali Lothe

Corporate Office
Unit No. 601, 6th Floor,
Cello Platina, Fergusson College Road,
Model Colony, Shivajinagar, Pune 411005

Auditors
Price Waterhouse & Co.
Chartered Accountants LLP
7th Floor, Business Bay, Tower A,
Wing -1, Airport Road,
Yerwada, Pune 411006

Bankers
Yes Bank Limited

DIRECTORS' REPORT

Dear Shareholder,

Your directors take pleasure to present the Eighth Annual Report, together with the audited financial statements of your Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2023-24
Total income	147.27	152.22
Profit before finance cost, depreciation, and tax	117.25	123.52
Finance Cost	76.19	85.78
Profit before depreciation and tax	41.06	37.74
Depreciation and impairment	46.19	46.32
Profit/(Loss) before tax	(5.13)	(8.58)
Provision for taxation (incl. deferred tax)	-	(3.19)
Items that are not to be reclassified to profit or loss	-	-
Profit/(Loss) after tax	(5.13)	(5.39)

State of Company's Affairs

During the year, the company has commissioned a Renewable Energy Project with a Solar capacity of 1.6MW/ 2.4 MWp in December 2023 and it has been put in operation since then.

Material changes affecting the Financial Position of the Company

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

Dividend

The directors do not recommend any dividend on equity shares.

Amount proposed to be carried to Reserves

During the year, the company has not transferred any amount to the General Reserve.

Share Capital

During the year there were no changes in the capital structure of the company. The Paid-up Share Capital of the Company is Rs. 3,32,30,000 divided into 33,23,000 Equity Shares of Rs.10 each. The Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity during the year.

Subsidiaries, Joint Ventures, and Associates

The Company does not have any Subsidiary, Joint Venture, or Associate Company as on March 31, 2025.

Deposits

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013. It has no unpaid/unclaimed deposits as on March 31, 2025.

Particulars of Loans, Guarantees or Investments

During the year under review, the Company did not make any investment nor did the company give any loan or guarantee pursuant to the provisions of Section 186 of the Companies Act, 2013.

Restriction on purchase by the Company or giving of Loans by it for purchase of its shares

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company, Directors or Key Managerial Personnel, for purchase or to subscribe shares of the Company.

Business Risk Management

The Company has identified the below types of risks in its renewable energy business and has drawn a mitigation plan to address the same –

- **Land Risk**

  The land title/ ownership data as per Government systems have certain degree of inaccuracies owing to prevalent old manual systems. This could result in delays in land acquisition and give rise to litigation. To mitigate this risk, the Company has an in-house Land expert and appointed a reputable legal agency to conduct Thirty Year Title Search Report (TSR) to clearly establish the ownership prior to land acquisition.

- **Risk of Right of Way (RoW) and Resources**

  This type of risk involves risk of delays due to RoW during construction and the availability of resources as per the plan. To cope with this risk the Company plans advance tie-up for land parcels and NOCs from respective agencies. It also contracts competent local infra partners having experience and capability.

- **Renewable Sources and Grid Availability**

  The major risk identified by the Company is generation loss due to lower radiation, and Grid failures. The Company continuously studies the radiation levels with historical data from reliable sources. It also carries out Load Flow Analysis and studies the data on power availability and quality from the Grid.

- **Plant Uptime and Soiling Losses**

  This type of risk involved the risk of revenue loss due to breakdowns and soiling due to the unavailability of water. This risk can be mitigated by selecting competent and credible service partners for Operations & Maintenance. The Company is also using water cleaning modules at regular frequency.

Health and Safety

Across all its operational assets, sites and offices, the Company implements policies that covers Health and safety. The Company strives for continuous

improvement and its objective is to establish the best safety practices at sites and operating assets.

During the year the Company took below health and safety initiatives:

- HSE Communication: HSE Moment/Lessons Learnt – Weekly HSE Moment is circulated to all employees and contractors and learnings are implemented.
- HSE Risk Management: -Hazard Reporting and closure – Hazards are reported by employees and contractors and closure is monitored and supported by Management.
- HSE Promotion: - HSE Campaigns: - National Safety Week and Road Safety Week was celebrated across the company involving contractors and employees and employee's family members.
- HSE Training: - HSE training including, Visitor Induction, Safety Induction and Risk based training is imparted to Contractors.
- HSE Digitalisation: - HSE digital software implemented for hazard reporting and risk behaviour reporting.

Adequacy of Internal Financial Controls

The Company has adequate internal financial controls and those are operating effectively.

Directors

In accordance with the provisions of the Companies Act, 2013 and Articles of Association of the Company, Mr. Sumit Rathi (DIN: 07727272) retires by rotation and being eligible offers, himself for re-appointment. The proposal of re-appointment forms part of the Notice of the Eighth AGM of the Company.

During the year, the following changes took place in the Directors and Key Managerial Personnel(s) of the Company.

- Mr. Mitish Somani (DIN: 01853530) resigned as the Director of the Company with effect from April 5, 2024.
- Mr. Chandrasekar Sureshnathan (DIN: 08180321) was appointed as an Additional Director of the Company w.e.f. May 2, 2024.
- Mr. Sandeep Mandke (DIN: 09619581) resigned as the Director of the Company w.e.f. May 2, 2024.
- Mr. Sumit Rathi (DIN: 07727272) was appointed as an Additional Director of the Company w.e.f. April 3, 2024.
- Ms. Anjali Lothe (DIN: 10134848) was appointed as an Additional Director of the Company w.e.f. June 24, 2024.
- Mr. Chandrasekar Sureshnathan (DIN: 08180321) resigned as an Additional Director of the Company w.e.f. June 25, 2024.

Board Meetings

The Board met four times during the year under review on May 2, 2024, July 26, 2024, November 4, 2024 and January 24, 2025. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and circulars issued by the Ministry of Corporate Affairs during the year.

Directors' Responsibility Statement

In terms of Section 134(3)(c) of the Companies Act, 2013, the Directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025 and of the loss of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Secretarial Standards

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

Details regarding frauds reported by Auditors under section 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

Related Party Transactions (RPT)

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

Maintenance of Cost Records

Pursuant to Section 148(1) of the Companies Act, 2013, the requirement for maintenance of cost records is not applicable to the Company.

Conservation of energy and technological absorption

The Company is in the business of renewable energy. The Company aims to conserve the environment by bringing about significant change in methods of using energy through the application of Solar, Wind, and associated Renewable energy generation sources for commercial & industrial customers.

As a part of its "Build-Green" initiatives, the Company has installed solar powered Robots to clean the solar modules at the Opex projects thus ensuring waterless cleaning. In the case of Technology absorption, the Company used higher rated (540 & 550Wp) Monoperc PV models with better efficiency. The structure is designed to withstand the wind load. Robot technology is being adopted for cleaning the modules and this will help to conserve water and reduce soiling losses.

In the case of Technology absorption, the Company used higher rated (>540Wp) Monoperc PV modules with better efficiency, a structure designed to withstand the wind load and string type Solar Inverters designed for outdoor installation.

Foreign Exchange Earnings and Outgo

There were no foreign exchange earnings and outgo during the year.

Particulars of Employees

Since the company is a Subsidiary of First Energy Private Limited and incorporated for the purpose of carrying out renewable energy business, there are no employees on the rolls of the company as on March 31, 2025.

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

Significant and material orders passed by the Regulators or Courts

There are no significant or material orders passed by the Regulators / Courts.

Corporate Social Responsibility

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as of March 31, 2025. Hence, the provisions related to Corporate Social responsibility do not apply to the Company.

Disclosure under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

Your Company is committed to providing employees with a safe and conducive work environment. No cases were pending at the beginning of the year/ filed during the year, according to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Insolvency and Bankruptcy Code, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

Valuation

During the year under review, there is no instance of onetime settlement with any Bank or Financial Institution.

Changes in the Regulatory Provisions and its impact on the business

During the year, the below changes were made to the Regulatory Provisions:

- Grid tariffs for next FY 2025-26 was proposed by the state distribution company. The proposed changes included solar hour discounts and reduced banking benefits, which if implemented, would have led to reduced captive arbitrage for the Company's customers. The Holding Company represented its objections on the proposal, to the state commission. The final provisions (under consideration with state commission) have reduced solar hours discounts, retention of banking facility and a request to institutionalize battery capacities for solar open access projects in the state, thereby having positive impact to business.
- The State energy department-initiated process for formulating state's Integrated Energy Policy. The Holding company is part of the engagement and has tabled suggestions/policy recommendations for captive open access projects, and battery projects in the state.

Auditors

M/s Price Waterhouse Chartered Accountants LLP, (Firm Registration Number. 012754N/N500016) were appointed as Statutory Auditors of the Company for a period of Five year from the conclusion of the 6th Annual General Meeting (AGM) till the conclusion of the 11th AGM. The Auditors' Report for FY 2024-25 does not contain any qualification, reservation, or adverse remark.

Acknowledgments

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well. They also place on record their appreciation for the dedication and contributions made by all the employees for their commitment, hard work, and support.

For and on behalf of the Board of Directors of
Kanakal Wind Energy Private Limited

Sumit Rathi
Director
DIN: 07727272

Ravi Damaraju
Director
DIN - 09554649

Pune, April 30, 2025

KANAKAL WIND ENERGY PRIVATE LIMITED

Independent auditor's report

To the Members of Kanakal Wind Energy Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Kanakal Wind Energy Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

12. As required by Section 143(3) of the Act, we report that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain books of account and other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 does not have any pending litigations which would impact its financial position.

ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2025.

iv. iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 32(viii) to the financial statements, 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, as disclosed in the Note 32(viii) to the financial statements, 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; and

(c) Based on such audit procedures that we 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 or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility that has operated during the year for all relevant transactions recorded in the software, except that audit trail feature has not been enabled at the database level to log any direct data changes.

13. The Company has not paid any remuneration to its directors during the period. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJF2702

Place: Pune

Date: May 7, 2025

KANAKAL WIND ENERGY PRIVATE LIMITED

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Kanakal Wind Energy Private Limited on the financial statements for the year ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

1. We have audited the internal financial controls with reference to financial statements of Kanakal Wind Energy Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

2. The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJF2702

Place: Pune

Date: May 7, 2025

Annexure B to Independent Auditors' Report

Referred to in paragraph 11 of the Independent Auditor's Report of even date to the members of Kanakal Wind Energy Private Limited on the financial statements as of and for the year ended March 31, 2025

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

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

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The title deeds of all the immovable properties, as disclosed in Note 3 to the financial statements, are held in the name of the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The Company is in the business of generating power from renewable energy source and, consequently, does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products/ services of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, income tax, and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

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

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans during the year ended March 31, 2025 and there was no unutilized balance of term loan obtained in earlier years as on April 1, 2024. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) and (ix)(f) of the Order is not applicable to the Company.

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

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

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with him. Accordingly,

the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial/ housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has not incurred any cash losses in the financial year or in the immediately preceding financial year.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The reporting under clause 3(xxi) of the Order relates to audit of Consolidated Financial Statements, which is not applicable to the Company. Accordingly, no comment in respect of this clause has been included.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership Number : 134593

UDIN: 25134593BMJQJF2702

Place: Pune

Date: May 7, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
I. Non-current assets			
Property, plant and equipment	3	1,100.50	1,146.69
Financial assets			
(a) Other financial assets	4(a)	1.04	1.04
Deferred tax assets (net)	5	-	-
Income tax assets (net)	8	0.47	0.19
Total Non current assets		**1102.01**	**1147.92**
II. Current assets			
Financial assets			
(a) Trade receivables	6	13.14	12.31
(b) Cash and cash equivalents	7(a)	23.72	13.20
(c) Bank balance other than (b) above	7(b)	35.15	34.94
(d) Other financial assets	4(b)	0.41	0.28
Other current assets	9	2.55	4.37
Total current assets		**74.97**	**65.10**
Total Assets		**1,176.98**	**1,213.02**
EQUITY AND LIABILITIES			
III. Equity			
Equity share capital	10	332.30	332.30
Other equity	11	(34.71)	(29.58)
Total equity		**297.59**	**302.72**
Liabilities			
IV. Non-current liabilities			
Financial liabilities			
(a) Borrowings	12(a)	730.98	765.10
Contract liabilities	13(a)	74.73	46.68
Total non-current liabilities		**805.71**	**811.78**
V. Current liabilities			
Financial liabilities			
(a) Borrowings	12(b)	38.81	63.52
(b) Trade payables			
i) total outstanding dues of micro enterprises and small enterprises	14	2.69	2.26
ii) total outstanding dues of creditors other than micro enterprises and small enterprises	14	7.39	5.69
(c) Other financial liabilities	15	13.47	15.95
Contract liabilities	13(b)	11.11	10.86
Other current liabilities	16	0.21	0.24
Total current liabilities		**73.68**	**98.52**
Total Equity and Liabilities		**1,176.98**	**1,213.02**

The above Balance Sheet should be read in conjunction with the accompanying notes.

As per our report of even date

Statement of Profit and Loss for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No.	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Revenue from operations	17	139.23	125.80
Other income	18	8.04	26.42
Total Income		**147.27**	**152.22**
Expenses			
Finance costs	19	76.19	85.78
Depreciation expense	20	46.19	46.32
Other expenses	21	30.02	28.70
Total Expenses		**152.40**	**160.80**
Loss before tax		**(5.13)**	**(8.58)**
Tax expense			
Current tax		-	-
Deferred tax	5	-	(3.19)
Total tax expense		**-**	**(3.19)**
Loss for the year		**(5.13)**	**(5.39)**
Other comprehensive income		**-**	**-**
Total comprehensive income for the year		**(5.13)**	**(5.39)**
Loss per equity share			
Basic & Diluted [nominal value per share ₹ 10/-]	22	(0.15)	(0.16)

The above Statement of Profit and Loss should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of Kanakal Wind Energy Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Place: Pune
Date : April 30, 2025

KANAKAL WIND ENERGY PRIVATE LIMITED

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

	Particulars	For the Year ended March 31, 2025	For the Year ended March 31, 2024
A)	**Cash flows from operating activities**		
	Loss before tax	(5.13)	(8.58)
	Adjustments for		
	Depreciation expense	46.19	46.32
	Finance costs	76.19	85.78
	Interest income on financial assets measured at amortised cost	(3.15)	(1.95)
	Provision no longer required written back	(4.89)	-
	Working capital adjustments		
	(Increase)/decrease in trade receivables	(0.83)	1.25
	(Increase)/decrease in other financial assets	-	14.41
	(Increase)/decrease in other assets	1.82	(2.60)
	Increase/(decrease) in trade payables	4.63	(6.11)
	Increase in contract and other liabilities	21.35	20.60
	Increase/(decrease) in other financial liabilities	0.05	(1.99)
	Cash generated from operating activities	**136.23**	**147.13**
	Income taxes paid	(0.28)	(0.19)
	Net cash generated from operating activities	**135.95**	**146.94**
B)	**Cash flows from investing activities**		
	Payment for property, plant and equipment	-	(16.67)
	Payment for investments in fixed deposits	(0.21)	(34.94)
	Interest received	3.02	1.67
	Net cash inflows/(outflows) from investing activities	**2.81**	**(49.94)**
C)	**Cash flows from financing activities**		
	Proceeds from borrowings	-	23.50
	Repayment of borrowings	(55.52)	(70.11)
	Transaction cost for availing borrowing	-	(4.70)
	Interest paid on borrowing	(72.72)	(86.22)
	Net cash outflows from financing activities	**(128.24)**	**(137.53)**
	Net increase/(decrease) in cash and cash equivalents	**10.52**	**(40.53)**
	Cash and cash equivalents at the beginning of the financial year	13.20	53.73
	Cash and cash equivalents at the end of the financial year	**23.72**	**13.20**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	For the Year ended March 31, 2025	For the Year ended March 31, 2024
Cash and cash equivalents [refer note 7(a)]	23.72	13.20
Balances as per Statement of Cash Flows	**23.72**	**13.20**

Notes:

i) Statement of Cash Flows has been prepared under the "Indirect Method" in accordance with 'IND AS 7 : Statement of Cash Flows'.

ii) Refer Note 12 (b) for Net debt reconciliation

The above Statement of Cash Flows should be read in conjunction with the accompanying notes.

As per our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of Kanakal Wind Energy Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Place: Pune
Date : April 30, 2025

Statement of changes in equity for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A. Equity Share Capital

Particulars	Amount
As at April 1, 2023	**332.30**
Increased during the year	-
As at March 31, 2024	**332.30**
Increased during the year	-
As at March 31, 2025	**332.30**

B. Other Equity

Particulars	Retained Earnings	Total
As at April 1, 2023	**(24.19)**	**(24.19)**
Loss for the year	(5.39)	(5.39)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(5.39)**	**(5.39)**
As at March 31, 2024	**(29.58)**	**(29.58)**
Loss for the year	(5.13)	(5.13)
Other comprehensive income for the year	-	-
Total comprehensive income for the year	**(5.13)**	**(5.13)**
As at March 31, 2025	**(34.71)**	**(34.71)**

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

As per our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date : May 7, 2025

For and on behalf of the Board of Directors of
Kanakal Wind Energy Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Place: Pune
Date : April 30, 2025

KANAKAL WIND ENERGY PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1 Corporate information

Kanakal Wind Energy Private Limited ("the Company") is a private limited company domiciled in India and incorporated on March 27, 2017 under the provisions of Indian Companies Act, 2013. It is a subsidiary of First Energy Private Limited. The Company is primarily engaged in the business as a producer of solar power.

The address of the Company's registered office is 6th Floor, Office No 601, Cello Platina, FC Road, Shivaji Nagar, Pune, Maharashtra – 411005. The Board of Directors have authorized to issue these financial statements on April 30, 2025. The CIN of the Company is U40300PN2017PTC219726.

2. Basis of preparation and summary of material accounting policies

This note provides a list of the material accounting policies adopted in the preparation of these financial statements. These policies have been consistently applied to all the years presented, unless otherwise stated.

2.1. Basis of preparation and measurement

a) Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the section 133 of the Companies Act 2013 (the Act) [Companies (Indian Accounting Standards) Rules, 2015] and other relevant provisions of the act.

b) Historical cost convention

The financial statements have been prepared on the historical cost convention;

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III of the Companies Act, 2013. Based on the nature of products and services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current and non-current classification of assets and liabilities.

2.2. Summary of material accounting policies

a. Revenue recognition

Revenue from Contracts with customers

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at the amount of the transaction price allocated to the performance obligation. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is primarily responsible for fulfilling the promise to provide the specified goods or service and has discretion in establishing the price for the specified goods or service.

Revenue from sale of power

Revenue from sale of power is recognised at transaction price and over time for each unit of electricity delivered at the contracted rate. The transaction price is adjusted for significant financing component, if any and the adjustment is accounted as finance cost. Revenue recognized includes amounts billed to consumers on the basis of recording of consumption of energy by installed meters based on the applicable tariff agreed in power purchase agreement, which are recognized considering past trends of approval, management's probability estimate and when no significant uncertainty exists in such determination.

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

b. Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any.

Depreciation commences when the assets are ready for their intended use. Depreciation is calculated using the straight-line method to allocate their cost, net of their residual values, over their estimated useful lives as follows:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Plant and equipment	10 to 25	10 to 15

c. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

Borrowing costs pertaining to qualifying assets are presented as part of financing activities in statement of cash flows.

2.3. Summary of other accounting policies

a. Financial instruments

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.

Financial assets

All financial assets (excluding trade receivables which do not contain a significant financing component) are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. For all subsequent measurements, financial assets are classified in the following categories by the Company:

i. Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in finance costs/ income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

ii. Debt instrument at FVOCI

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at FVOCI. There are currently no debt securities which are carried at FVOCI.

iii. Debt instrument at FVTPL

Fair value through profit or loss (FVTPL): FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL. Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of Profit and Loss. There are currently no debt securities which are carried at FVTPL.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

For trade receivables, the Company follows 'simplified approach' for recognition of impairment loss and always measures the loss allowance at an amount equal to lifetime expected credit losses to measure the expected credit losses.

In case of other financial assets, the Company applies general approach for recognition of impairment losses wherein the Company uses judgement in considering the probability of default upon initial recognition and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

Financial liabilities

All financial liabilities are recognized initially at fair value and in the case of borrowings, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables and borrowings.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. There are currently no financial liabilities classified as FVTPL.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of Profit and Loss. Amortised cost category is applicable to loans and borrowings, trade and other payables. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through effective interest method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on effective interest rate (EIR). The EIR amortization is included as finance cost in the Statement of Profit and Loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires or when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

b. Fair value measurement

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

c. Property, Plant and Equipment

All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

d. Income recognition

Interest income

For all financial instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the Statement of Profit and Loss.

e. Cash and cash equivalents

Cash and cash equivalents includes cash on hand, balances with banks and other short-term, highly liquid investments with original

maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

f. Share capital

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

Cost for issuance of equity instruments:

The cost in issuing or acquiring Company's own equity instruments includes registration and other regulatory fees and stamp duties. These costs are accounted for as a deduction from equity (net of any related income tax benefit) to the extent they are incremental costs directly attributable to the equity transaction that otherwise would have been avoided.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate

Deferred tax

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

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

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

h. Impairment of non-financial assets

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognized in the Statement of Profit and Loss.

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognized impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

i. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

j. Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of Directors of the Company has been identified as the chief operating decision maker of the Company.

k. Contingent liabilities

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

l. Earnings per share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

m. Rounding of amounts:

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

2.4. Significant accounting judgments, estimates and assumptions

The preparation of financial statements requires the use of accounting estimates which, by definition, will likely differ from the actual results. Management also needs to exercise judgement in applying the Company's accounting policies.

This note provides an overview of the areas that involved a higher degree of judgement or complexity, and of items which are more likely to be materially adjusted due to final outcomes deviating from estimates and assumptions made.

i. Impairment of property, plant and equipment

Determining whether property, plant and equipment are impaired requires an estimation of the value in use of the relevant cash generating units. The value in use calculation is based on a Discounted Cash Flow model over the estimated useful life of the property, plant and equipment. Further, the cash flow projections are based on estimates and assumptions relating to expected generation based on past trends and the current and likely future state of the industry etc. which are considered reasonable by the Management. Any reasonable possible change in the underlying assumptions would lead to recoverable amount and conclusion on impairment assessment.

ii. Borrowing costs

Significant management judgement is involved in determining whether in assessing whether the asset is a qualifying asset using the factors such as period of time to get ready, nature of activities necessary and industry practice. The construction of project involves a period ranging from 6 months to 10 months.

iii. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget over the useful life of assets as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows. The estimates involved includes long term debt cost, cost of equity and long term debt equity ratio.

iv. Useful lives of property, plant and equipment

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives annually and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

v. Deferred taxes

At each balance sheet date, the Company assesses whether the realization of future tax benefits is sufficiently probable to recognize deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

3. Property, plant and equipment

Particulars	Land Freehold	Solar Power Plant	Total
Gross Block			
As at April 01, 2023	38.35	1,166.05	1,204.40
Additions	-	-	-
Deductions	-	-	-
As at March 31, 2024	**38.35**	**1,166.05**	**1,204.40**
Additions	-	-	-
Deductions	-	-	-
As at March 31, 2025	**38.35**	**1,166.05**	**1,204.40**
Depreciation			
As at April 01, 2023	**-**	**11.39**	**11.39**
For the year	-	46.32	46.32
As at March 31, 2024	**-**	**57.71**	**57.71**
For the year	-	46.19	46.19
As at March 31, 2025	**-**	**103.90**	**103.90**
Net Block			
As at March 31, 2025	**38.35**	**1,062.15**	**1,100.50**
As at March 31, 2024	**38.35**	**1,108.34**	**1,146.69**

i) See note 12 for information on property, plant and equipment pledged as security by the Company.

ii) See note 24 for disclosure of contractual commitments for the acquisition of property, plant and equipment.

4(a). Other financial assets (non-current)

Particular	As at March 31, 2025	As at March 31, 2024
Security deposits	1.04	1.04
Total	**1.04**	**1.04**

4(b). Other financial assets (current)

Particular	As at March 31, 2025	As at March 31, 2024
Interest accrued but not due	0.41	0.28
Total	**0.41**	**0.28**

5. Deferred tax assets (net)

Particular	As at March 31, 2025	As at March 31, 2024
Deferred tax asset		
Losses available for offsetting against future taxable income	166.80	120.97
Others	21.60	15.29
Total	**188.40**	**136.26**
Deferred tax liability		
Depreciation on property,plant and equipement	181.70	136.26
Ind AS impact on borrowings	6.70	-
Total	**188.40**	**136.26**
Total	**-**	**-**

The Company has tax losses of Rs. 9.87 lakhs (March 31, 2024: Rs. 31.24) that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company was able to recognise all unrecognised deferred tax assets, the profit for the year would increase by Rs. 2.49 lakhs (March 31, 2024: Rs. 7.86 lakhs).

Particulars	Expiry Date	As at March 31 2025		As at March 31 2024	
		Amount	Tax Impact	Amount	Tax Impact
Unabsorbed depreciation	No Expiry period	9.87	2.49	31.24	7.86
Total		**9.87**	**2.49**	**31.24**	**7.86**

The income tax expense consists of following:

Particular	As at March 31, 2025	As at March 31, 2024
Current tax expense	-	-
Deferred tax (benefit) / charge	-	(3.19)
Total	**-**	**(3.19)**

The reconciliation of estimated income tax expense at Indian statutory income tax rate to income tax expense reported in Statement of Profit and Loss is as follows:

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Loss before tax	(5.13)	(8.58)
Income tax rate	25.17%	25.17%
Expected tax expense / (credit)	(1.29)	(2.16)
Losses on which deferred tax asset has not been recognised	1.29	(1.03)
Total tax expense	**-**	**(3.19)**

6. Trade Receivables

Particular	As at March 31, 2025	As at March 31, 2024
Trade receivables		
- Unbilled*	13.14	12.31
- Billed	-	-
Total	**13.14**	**12.31**
Break-up for security details:		
Trade receivables considered good - Unsecured	13.14	12.31
Trade receivables which have a significant increase in credit risk	-	-
Trade receivables- credit impaired	-	-
	13.14	**12.31**
Less: impairment allowance	-	-
Total	**13.14**	**12.31**

No trade or other receivable are due from directors or other officers of the company either severally or jointly with any other person nor any trade receivable are due from firms or private companies respectively in which any director is a partner, a director or a member.

*The receivable is 'unbilled' because the Company has not yet issued an invoice; however, the balance has been included under trade receivables (as opposed to contract assets) because it is an unconditional right to consideration.

Trade receivables ageing

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables- considered good	13.14	-	-	-	-	-	-	13.14
Total	**13.14**	**-**	**-**	**-**	**-**	**-**	**-**	**13.14**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments					Total
			Less than 6 months	6 months - 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade receivables- considered good	12.31	-	-	-	-	-	-	12.31
Total	**12.31**	**-**	**-**	**-**	**-**	**-**	**-**	**12.31**

7(a). Cash and cash equivalents

Particular	As at March 31, 2025	As at March 31, 2024
Balance with bank		
- in current accounts	8.65	13.20
-deposits with original maturity of less than 3 months	15.07	-
Total	**23.72**	**13.20**

7(b). Other bank balances

Particular	As at March 31, 2025	As at March 31, 2024
-Deposits with original maturity of more than three months less than twelve months*	35.15	34.94
Total	**35.15**	**34.94**

*Includes Debt Service Reserve Account (DSRA) Deposits with banks against Borrowings made as per the requirement of borrowing agreements with lenders for the purpose of repayment of principal and interest liability for the specified future period as per the terms of contract amounting to INR 33.50 lakhs.

8. Current tax assets (net)

Particular	As at March 31, 2025	As at March 31, 2024
Opening balance	0.19	-
Add: Taxes paid during the year	0.28	0.19
Total	**0.47**	**0.19**

9. Other Current Assets

Particular	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	2.55	4.37
Total	**2.55**	**4.37**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

10. Equity Share capital

a. Authorised Equity Share Capital

Equity shares of ₹ 10 each

Particular	No. of Shares	Amount
As at April 1, 2023	**3,400,000**	**340.00**
Increase during the year	-	-
As at March 31, 2024	**3,400,000**	**340.00**
Increase during the year	-	-
As at March 31, 2025	**3,400,000**	**340.00**

b. Issued, Subscribed and Paid up Share Capital

Equity shares of ₹ 10 each

Particular	No. of Shares	Amount
As at April 1, 2023	**3,323,000**	**332.30**
Changes during the year	-	-
As at March 31, 2024	**3,323,000**	**332.30**
Changes during the year	-	-
As at March 31, 2025	**3,323,000**	**332.30**

c. Terms/Rights attached to the equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Company is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

d. Equity shares held by holding company

Name of Company	As at March 31 2025		As at March 31 2024	
	No. of shares	Amount	No. of shares	Amount
Holding company				
First Energy Pvt Limited (including 6 shares held by nominee shareholders)	2,459,000	245.90	2,458,994	245.90
Equity shares of ₹ 10 each				

e. Details of shareholder holding more than 5% shares in the company.

Name of the Shareholder	As at March 31, 2025	As at March 31, 2024
(i) First Energy Private Limited, India		
% Holding	74.00%	74.00%
No. of shares	2,459,000	2,459,000
(ii) Indoco Remedies Limited		
% Holding	26.00%	26.00%
No. of shares	864,000	864,000

f. Shares held by promoters at the end of the year

Name of Promoter	As at March 31, 2025		As at March 31, 2024		% of change during the year
	Number of shares	% of total number of shares	Number of shares	% of total number of shares	
First Energy Private Limited	2,459,000	74.00%	2,459,000	74.00%	0.00%

(g) Aggregate number of shares issued for consideration other than cash :

There were no buy back of shares/issue of shares for consideration other than cash during the period of five years immediately proceding the reporting date.

11. Other Equity

Particular	As at March 31, 2025	As at March 31, 2024
Retained earnings		
Opening balance	(29.58)	(24.19)
Add : Loss for the year	(5.13)	(5.39)
Total	**(34.71)**	**(29.58)**

12(a). Borrowings (non-current)

Particular	As at March 31, 2025	As at March 31, 2024
Secured loans from Bank		
Indian rupee loans from banks*	761.79	820.62
Less: Current maturities of long-term debt (included in current borrowings)	30.81	55.52
Total	**730.98**	**765.10**

* After considering unamortised expense of Rs. 26.61 lakhs as at March 31, 2025 (March 31, 2024 - 23.30 lakhs).

Aggregate secured borrowings	730.98	765.10
Aggregate unsecured borrowings	-	-

Particulars	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from Yes Bank	March 31, 2042	76 structured quarterly Installment start from June 30, 2023	8.61% p.a.(Interest rate 3M T Bill + 2.06 Spread)	761.79	820.62

Note: As at March 31, 2025 & March 31, 2024, the Company has not complied with some of the covenants under loan agreements in respect of secured borrowings from bank of Rs. 761.79 lakhs (March 31, 2024 - Rs. 820.62 lakhs). The Company has received confirmation from the Bank that the said borrowing will not be recalled as a consequence of such breach.

Details of security

Indian rupee loans from banks is secured by way of charge on all present and future moveable and immovable assets including plant & machinery, machinery spares, tools, spare and accessories, project documents and on all current assets of the project (present and future) including but not limited to book debts, operating cash flows, receivables, commission, revenues of whatsoever nature and when arising and pledge of 30% of total shares of the Company held by the holding company.

12(b). Borrowings (current)

Particular	As at March 31, 2025	As at March 31, 2024
Secured loans		
Current maturities of long-term debt	30.81	55.52
Unsecured loans		
From holding company	8.00	8.00
Total	**38.81**	**63.52**
Aggregate secured borrowings	30.81	55.52
Aggregate unsecured borrowings	8.00	8.00

Particular	Maturity date	Terms of payment	Interest rate	March 31, 2025	March 31, 2024
Loan from holding Companies	June 21, 2025	Single payment at end of the term	8.45% (March 31, 2024 - 8.15%)	8.00	8.00

Net debt reconciliation

Particular	As at March 31, 2025	As at March 31, 2024
Cash and cash equivalents	23.72	13.20
Other Bank balance	35.15	34.94
Interest accrued	(6.60)	(6.74)
Borrowings	(769.79)	(828.62)
Net debt	**(717.52)**	**(787.22)**

Particular	Other assets		Liabilities from financing activities	Total
	Cash and cash equivalents	Other Bank balance	Borrowings including accrued interest	
Net debt as at March 31, 2023	**53.73**	**-**	**(887.11)**	**(833.38)**
Cash flows	(40.53)	34.94	51.31	45.73
Borrowing cost capitalised	-	-	(85.78)	(85.78)
Interest expenses	-	-	86.22	86.22
Net debt as at March 31, 2024	**13.20**	**34.94**	**(835.36)**	**(787.22)**
Cash flows	10.52	0.21	55.52	66.25
Interest expenses	-	-	(69.27)	(69.27)
Interest paid	-	-	72.72	72.72
Net debt as at March 31, 2025	**23.72**	**35.15**	**(776.39)**	**(717.52)**

13(a). Contract liabilities (Non-current)

Particular	As at March 31, 2025	As at March 31, 2024
Unearned revenue	74.73	46.68
Total	**74.73**	**46.68**

13(b) Contract liabilities (Current)

Particular	As at March 31, 2025	As at March 31, 2024
Unearned revenue	11.11	10.86
Total	**11.11**	**10.86**

14: Trade payables

Particular	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	2.69	2.26
Total outstanding dues of creditors other than micro enterprises and small enterprises		
i) Related parties	4.07	1.74
ii) Others	3.32	3.95
Total	**10.08**	**7.95**

Ageing schedule for trade payable

As at March 31, 2025

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	2.64	0.01	-	-	0.04	-	2.69
(ii) Others	3.19	3.87	0.33	-	-	-	7.39
Total	**5.83**	**3.88**	**0.33**	**-**	**0.04**	**-**	**10.08**

As at March 31, 2024

Particulars	Unbilled	Not Due	Outstanding for the following period from due date of payments				Total
			Less than 1 year	1-2 years	2-3 years	More than 3 years	
Undisputed trade payables:							
(i) Micro and small enterprises	2.22	-	-	0.04	-	-	2.26
(ii) Others	4.47	-	1.22	-	-	-	5.69
Total	**6.69**	**-**	**1.22**	**0.04**	**-**	**-**	**7.95**

15. Other financial liabilities (current)

Particular	As at March 31, 2025	As at March 31, 2024
Payable for property, plant and equipment	6.87	9.21
Interest accrued but not due on loans	6.60	6.74
Total	**13.47**	**15.95**

16. Other current liabilities

Particular	As at March 31, 2025	As at March 31, 2024
Statutory tax payables	0.21	0.24
Total	**0.21**	**0.24**

17 Revenue from operations

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Revenue from Power Supply	139.23	125.80
Total	**139.23**	**125.80**

Disclosure pursuant to IND AS 115: Revenue from contracts with customers

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
i) Revenue by category of contracts:		
Over a period of time basis	139.23	125.80
At a point-in-time basis	-	-
Total revenue from contracts with customers	**139.23**	**125.80**
ii) Revenue by geographical market:		
Within India	139.23	125.80
Outside India	-	-
Total revenue from contracts with customers	**139.23**	**125.80**

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

iii) Contract balances

The following table provides information about contract balances from contracts with customers as at the reporting date:

Particular	As at March 31, 2025	As at March 31, 2024
Contract Liabilities (Refer note 13(a) and 13(b))	85.84	57.54

The contract liabilities relate to unearned revenue where performance obligations are yet to be fulfilled as per the contracts. The fulfilment of the performance obligations will extinguish these liabilities and revenue will be recognised, with no impact on the Company's cash positions.

Contract liabilities have increased because the Company has received advance as per the agreed payment schedule.

iv) Reconciliation between revenue recognised in Statement of Profit and Loss and contract price

Particular	For the ended March 31, 2025	For the ended March 31, 2024
Contract price	128.07	114.94
Adjustments for:		
Significant Financing Component	11.16	10.86
Total Revenue recognised	**139.23**	**125.80**

v) Revenue recognised in the reporting period that was included in the contract liabilities balance at the beginning of the year:

Unearned revenue	11.16	10.86

vi) Remaining performance obligations:

The Company applies practical expedient included in para 121 of Ind AS 115 and does not disclose information about its remaining performance obligations for contracts where the entity has a right to consideration from a customer in an amount that corresponds directly with the value to the customer of the entity's performance completed till date.

18 Other income

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest income on financial assets measured at amortised cost	3.15	1.95
Insurance claim received	-	18.47
Provision no longer required written back	4.89	6.00
Total	**8.04**	**26.42**

19 Finance costs

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Interest expenses on financial liabilities measured at amortised cost		
-to bank	68.62	81.13
-to holding company	0.65	0.17
Other finance cost	6.92	4.48
Total	**76.19**	**85.78**

20 Depreciation Expense

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Depreciation of property, plant and equipment	46.19	46.32
Total	**46.19**	**46.32**

21. Other expenses

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Operation & Maintenance Charges	7.43	6.94
Electricity Expenses	5.65	5.54
Site Expenses	1.85	2.39
Rates and taxes	0.82	1.43
Insurance	3.79	2.46
Technical expenses	0.29	0.18
Travelling and conveyance	-	1.09
Communication expenses	-	0.02
Printing and stationery	-	0.03
Professional charges	3.62	4.09
Auditor's remuneration (Refer below note)	0.59	0.59
Management fees	4.72	-
Miscellaneous expenses	1.26	3.94
Total	**30.02**	**28.70**

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current and previous year.

Note: Auditor's remuneration

Particular	For the year ended March 31, 2025	For the year ended March 31, 2024
Statutory audit fees (Including GST)	0.59	0.59
Total	**0.59**	**0.59**

22 Loss per share

Particular	March 31, 2025	March 31, 2024
Net Loss attributable to the Equity shareholders of the Company	(5.13)	(5.39)
Weighted average number of Equity shares of Rs.10/- each	3,323,000	3,323,000
Basic and Diluted Loss per share	**(0.15)**	**(0.16)**

23 Contingent liabilities and commitments

There are no liabilities of contingent nature.

24 Capital and other commitment

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Nil. (March 31,2024: Nil)

25 Related party disclosures

A Holding Company

First Energy Private Limited

B Ultimate Holding Company

RDA Holding Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Entities under common control with whom there have been transactions during the year:

First Energy 2 Private Limited

Jalansar Wind Energy Private Limited

E Key Management Personnel:

1 Mr. Ravi Damaraju - Director

2 Mr. Mitish Somani - Director (w.e.f. June 22, 2022 till April 5, 2024)

3 Mr.Sumit Rathi - Additional Director (w.e.f. April 03, 2024)

4 Ms. Anjali Lothe- (w.e.f June 24, 2024)

5 Mr. Sandeep Mandke - Director (till May 2, 2024)

6 Mr. Chandrasekar Sureshnathan - Director (w.e.f. May 2, 2024 till June 25, 2024)

F Transactions with related parties:

Particular	March 31, 2025	March 31, 2024
With Immediate Holding Company		
First Energy Private Limited		
-Interest paid	0.65	0.17
-Management fees	4.72	-
-Loan Taken	-	8.00
-Reversal of corporate overhead (net)	-	4.53
Entities under common control		
First Energy 2 Private Limited		
-Reimbursement of expenses paid	0.26	0.28
Jalansar Wind Energy Private Limited		
-Reimbursement of expenses paid	-	0.07

G Outstanding balances

Particular	March 31, 2025	March 31, 2024
Immediate holding company		
First Energy Private Limited		
-Payables for Property, plant and equipments	6.25	6.25
-Trade Payables	3.82	1.74
-Borrowings	8.00	8.00
-Interest accrued during the year	0.74	0.15
Entities under common control		
First Energy 2 Private Limited		
-Trade Payables	0.25	0.01
Jalansar Wind Energy Private Limited		
-Other financial liability	-	0.01

H Terms and conditions

All outstanding balances are unsecured, interest free except for borrowings and payable in cash. For details of interest on borrowings, refer note 12.

The transactions and balances with the related parties disclosed above are inclusive of goods and services tax, wherever applicable.

26 Fair value measurements

Break up of financial liabilities carried at amortised cost

Particular	As at March 31, 2025	As at March 31, 2024
Trade payable	10.08	7.95
Other financial liabilities	13.47	15.95
Borrowings	769.79	828.62
Total	**793.34**	**852.52**
Current liabilities	62.36	87.42
Non current liabilities	730.98	765.10
Total	**793.34**	**852.52**

Break-up of financial assets carried at amortised cost

Particular	As at March 31, 2025	As at March 31, 2024
Trade receivables	13.14	12.31
Other financial assets	1.45	1.32
Cash and cash equivalents	23.72	13.20
Bank balances other than cash and cash equivalents	35.15	34.94
Total	**73.46**	**61.77**
Current assets	72.42	60.73
Non-current assets	1.04	1.04
Total	**73.46**	**61.77**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

27 Financial risk management

The Company's principal financial liabilities, comprise borrowings, trade and 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, and cash and cash equivalents that it derives directly from its operations.

Risk is inherent in the Company's activities but it is managed through a process of ongoing identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing operations. The Company is exposed to market risk, credit risk and liquidity risk.

Management of the Company is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. Management of the Company reviews and agrees policies for managing each of these risks, which are summarised below.

I 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 two types of risk: interest rate risk and currency risk.

The management of the Company has implemented a risk management system that is monitored by the Board of Directors. Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

The sensitivity analyses in the following sections relate to the position as at March 31, 2025 and March 31, 2024.

a Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The exposure of the Company's borrowings to interest rate changes at the end of the reporting period are as follows

Particulars	March 31, 2025	March 31, 2024
Variable rate borrowings	761.79	820.62

Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of borrowings affected. With all other variables held constant, the Company's loss before tax is affected through the impact on floating rate borrowings, as follows:

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	March 31, 2025	March 31, 2024
Interest rates - Increase by 25 (March 31, 2024 - 50) basis points	(2.06)	(4.36)
Interest rates - Decrease by 25 (March 31, 2024 - 50) basis points	2.06	4.36

b) Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates.

The Company has not entered into any foreign currency transaction during the current year and comparative period and hence not exposed to any foreign currency risk.

II 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.

Expected credit loss for

Trade receivables

Customer credit risk is managed by the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on individual credit limits and risk of potential default based on defined credit risk parameters. An impairment analysis is performed based on expected credit loss model at each reporting date. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in notes below. There is no charge of impairment to Statement of profit and loss.

Expected credit loss for contract assets under simplified approach

As at March 31, 2025

Trade receivables	Gross	Expected loss rate	Expected loss allowance
Unbilled	13.14	0%	-
Total	**13.14**		**-**

As at March 31, 2024

Trade receivables	Gross	Expected loss rate	Expected loss allowance
Unbilled	12.31	0%	-
Total	**12.31**	**-**	**-**

Balance with Banks

Credit risk from balances with banks is managed by the parent company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties to mitigate financial loss through counterparty's potential failure to make payments. Identified impairment loss for these assets is immaterial.

Other financial assets carried at amortised cost

Company's exposure to other financial asset includes security deposits which is considered to be low risk. No loss allowance is required to be recognised for the same.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

Management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows on a on-going basis. The Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

Maturities of financial liabilities

The tables below summarises the company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

March 31, 2025

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	38.81	66.98	68.42	622.19
Trade payables	10.08	-	-	-
Other financial liabilities	13.47	-	-	-

March 31, 2024

Particulars	< 1 year	1 to 3 years	3 to 5 years	> 5 years
Non- derivative				
Borrowings	63.52	63.40	67.70	657.30
Trade payables	7.95	-	-	-
Other financial liabilities	15.95	-	-	-

28 Analytical ratios

Sr. No.	Particulars	Numerator	Denominator	For the year ended March 31, 2025	For the year ended March 31, 2024	Variance	Remarks for variation more than 25%
1	Current Ratio	Current Assets	Current Liabilities	1.02	0.66	54.00%	Due to increase in current assets and decrease in current liabilities
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	2.59	2.74	-5.50%	Not applicable
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit after taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest + Principal Repayments)	0.89	0.79	12.69%	Not applicable
4	Return on Equity	Net loss after taxes	Average Shareholder's Equity	-1.71%	-2.81%	-39.17%	Due to decrease in losses
5	Return on investment	Investment income	Average investment	7.40%	11.16%	-33.70%	Due to increase in average investments
6	Return on Capital employed	Earning before interest and taxes	Capital Employed	6.66%	6.82%	-2.44%	Not applicable
7	Trade Receivables turnover Ratio	Total Sales	Average Trade Receivable	10.94	9.73	12.50%	Not applicable
8	Trade payables turnover Ratio	Net Credit Purchases	Average Trade Payables	3.33	2.61	27.69%	Due to decrease in average trade payables
9	Net capital turnover Ratio	Total Sales	Working Capital	107.54	-3.79	-2740.91%	Due to decrease in working capital
10	Net Profit Ratio	Net Profit/(loss) after taxes	Revenue	-3.68%	-4.28%	-13.96%	Not applicable

Working Capital = Current assets less Current liabilities

Capital employed = Tangible Net worth + total debt

Average = (Opening + Closing)/2

29. Capital management

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long-term and other strategic investment plans. The funding requirements are met through borrowings, equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

Particular	March 31, 2025	March 31, 2024
Borrowings including accrued interest	776.39	835.36
Less: Cash and cash equivalents (includes other bank balances)	58.87	48.14
Net debt	**717.52**	**787.22**
Equity	297.59	302.72
Net Debt to equity	**2.41**	**2.60**

There is no major variation in debt to equity ratio

Loan Covenants

Under the terms of the borrowing facilities, the Company is required to comply with the following financial covenants:

(i) Debt to Equity ratio of 3:1 is maintained;

(ii) Debt Service Coverage ration of 1.10x is maintained; and

(iii) Debt to Tangible net worth is less than or equal to 3:1

Financial Covenant are tested based on the audited financial statements annually within a period of 6 (six) months from the end of the relevant Financial Year.

Some of the debt covenants were not complied as at March 31, 2024 and March 31, 2025, refer note 12 for details.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

30. Details of dues to Micro and Small Enterprises as defined under MSMED Act, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Sr. No	Particulars	As at March 31, 2025	As at March 31, 2024
a)	The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
	- Principal amount dues to micro and small enterprises	2.69	2.26
	- Interest due thereon	0.01	0.01
b)	The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-	-
c)	The amount of payment made to the supplier beyond the appointed day during the year	0.98	0.27
d)	The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	0.02	0.01
e)	The amount of interest accrued and remaining unpaid at the end of each accounting year	0.03	0.02
f)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006	0.05	0.02

31. Segment reporting

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Producer of power through renewable energy source". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

32. Other Statutory Information

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

(iii) The Company has not traded or invested in crypto currency or virtual currency during the current and previous year.

(iv) There is no income surrendered or disclosed as income during the current year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956.

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year

(viii) Utilisation of borrowed funds and share premium

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

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 Company 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.

33. Compliance with Section 143 (3) for Maintenance of Books of Account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain books and records maintained in electronic mode has not been maintained on servers physically located in India on daily basis. The Company will take appropriate measures to comply with the regulations.

34. Compliance with Section 143 (3) for Audit Trail

The primary accounting software used for maintaining its books of account has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software except that no audit trail has been enabled at the database level to log any direct data changes.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Rakesh Khandelwal
Partner
Membership No.: 134593

Place: Pune
Date : May 07, 2025

For and on behalf of the Board of Directors of Kanakal Wind Energy Private Limited

Sumit Rathi
Director
DIN : 07727272

Ravi Damaraju
Director
DIN : 09554649

Place: Pune
Date : April 30, 2025

BUILDTECH PRODUCTS INDIA PRIVATE LIMITED

Board of Directors
Mr. Sanjiv Kapoor (upto December 20, 2024)
Mr. Sunder Lal Kothari (upto December 27, 2024)
Mrs. Prapti Kothari (upto December 20, 2024)
Mr. Dinesh Mandhana (w.e.f. December 20, 2024)
Mr. Swapnil Dhumane (w.e.f. December 20, 2024)
Mr. Sandeep Deshpande (w.e.f. December 20, 2024)

Registered Office
3rd Floor, Plot no. 41, Okhla Phase-III,
Okhla Industrial Estate,
New Delhi, Okhla Industrial Estate,
South Delhi, New Delhi, Delhi,
India, 110020

Auditors
B K Khare & Co
Chartered Accountants
706/708, Sharda Chambers, New Marine Lines, Mumbai – 400 020, India

Bankers
HDFC Bank Limited
Citi Bank NA
Union Bank of India

Corporate Office
Thermax House,
14 Mumbai-Pune Road, Wakdewadi,
Pune -411003.

DIRECTORS' REPORT

Dear Shareholders,

The Directors present their Annual Report of the company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	For the year ended March 31, 2025	For the year ended March 31, 2024
Total Income	**2,899.09**	3,734.49
Profit before depreciation and interest	**429.23**	566.01
Depreciation	**29.19**	33.35
Interest	**14.28**	0.63
Profit before Tax	**385.76**	532.03
Provision for taxation (incl. deferred tax)	**116.78**	152.00
Profit after Tax	**268.98**	380.03

STATE OF COMPANY'S AFFAIRS

During the period under review, the Company posted a revenue of Rs. 2899.09 lakhs, with profit before tax of Rs. 385.76 lakhs.

The management has identified a potential roadmap for the future operations and is hopeful of a decent growth in the years ahead. Your directors are hopeful to increase the commercial activities at a large scale in coming years and to achieve better financial results.

MATERIAL CHANGES AFFECTING FINANCIAL POSITION

No material changes and commitments occurred after the close of the year till the date of this report, which affect the financial position of the Company.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of business during the year under review.

HEALTH & SAFETY

The Company is committed to follow highest Safety and Health standards.

DIVIDEND

The directors did not recommend any dividend on equity shares during the year.

AMOUNT PROPOSED TO BE CARRIED TO RESERVES

During the year, the Company has not transferred any amount to the General Reserve.

SHARE CAPITAL

The Authorized share capital of the Company is Rs. 2,00,00,000/- (Rupees Two Crore only) comprising of 20,00,000 Equity Shares of Rs. 10/- each.

The Paid up capital of the Company is Rs. 1,52,10,000/- (Rupees One Crore Fifty Two Lacs Ten Thousand only) comprising of 15,21,000 Equity Shares of Rs. 10/- each.

During the period under review there has been no change in the authorized, as well as subscribed and paid-up share capital and the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. Consequently, it has no unpaid / unclaimed deposit(s) as on March 31, 2025.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS

During the year company has not given loans, guarantees and investments covered under the provisions of Section 186 and Section 134(3) (g) of Companies Act, 2013.

SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANY

Your Company does not have any Subsidiary / Associate / Joint Venture company and there was no change in the position during the financial year 2024-25.

BUSINESS RISK MANAGEMENT

The company has identified and classified its key risks pertaining to the core business and has a broad framework in place for effective risk identification, review and mitigation. The company will continue to actively monitor and strengthen its risk management framework. The company is in the process of implementing Legatrix software to track & ensure timely statutory compliances.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls and those are operating effectively. Internal Audit is not applicable for the company as per section 138 of Companies Act and Rule 13 of the Companies (Accounts) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company intends not only to be a business entity, but also a Member of the local community in which it operates. The Company strives to build good relationship with representatives of the communities. Through CSR activities, the Company also intends to build the bond and a sense of solidarity with the environment and its problems.

The Board has approved CSR Policy of the Company indicating the activities to be undertaken by the Company, monitoring the implementation framework and amount to be spent as CSR. The Company is not required to constitute CSR committee. During the year under review, the Company was unable to spend the prescribed amount towards CSR activities as mandated under Section 135 of the Companies Act, 2013. The reason for amount remaining

unspent was mainly due to the Company's inability to identify suitable and impactful projects that aligns with its CSR objective and values. In accordance with the provisions of Section 135(5) of the Companies Act, 2013 and the Rules made thereunder, the unspent amount, will be transferred to a fund specified under Schedule VII of the Act within prescribed timelines.

The Annual Report on CSR activities in terms of requirements of Companies (Corporate Social Responsibility Policy) Rules, 2014 is enclosed as Annexure-1.

DIRECTORS

Currently, the Board of the company comprises of three Directors. In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Mr. Dinesh Mandhana (DIN: 10646110) and Mr. Swapnil Dhumane (DIN: 10646109) retires by rotation, and being eligible, offers themselves for re-appointment as director.

During the year, the Board of Directors at their Meeting held on December 20, 2024 appointed Mr. Dinesh Mandhana (DIN: 10646110), Mr. Swapnil Dhumane (DIN: 10646109) and Mr. Sandeep Deshpande (DIN: 09748806), as Additional Directors of the Company. The members of the Company at the Extra-Ordinary General Meeting held on April 10, 2025, approved the appointment of Mr. Dinesh Mandhana (DIN: 10646110), Mr. Swapnil Dhumane (DIN: 10646109) and Mr. Sandeep Deshpande (DIN: 09748806), as Directors of the Company, liable to retire by rotation.

During the year, Mr. Sanjiv Kapoor (DIN: 00110163) and Mrs. Prapti Kothari (DIN: 00110348) resigned as the Directors of the Company w.e.f. December 20, 2024, whereas Mr. Sunder Lal Kothari (DIN: 00110439) resigned as the Director of the Company w.e.f. December 27, 2024.

The Company is not required to appoint any Independent Director on its Board pursuant to the provisions of the Companies Act, 2013 and the rules made there under.

BOARD MEETINGS

During the year, the Board met seven times and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. Attendance details of the Board are as follows:

Name	Board Meetings						
	April 2, 2024	May 9, 2024	May 30, 2024	June 5, 2024	September 6, 2024	December 20, 2024	January 29, 2025
Mr. Sanjiv Kapoor#	P	P	P	P	P	A	NA
Mr. Sunder Lal Kothari@	P	P	P	P	P	P	NA
Mrs. Prapti Kothari#	P	P	P	P	P	P	NA
Mr. Dinesh Mandhana*	NA	NA	NA	NA	NA	NA	P
Mr. Swapnil Dhumane*	NA	NA	NA	NA	NA	NA	A
Mr. Sandeep Deshpande*	NA	NA	NA	NA	NA	NA	P

#Mr. Kapoor and Mrs. Kothari resigned as Directors effective December 20, 2024.

@Mr. Kothari resigned as Director effective December 27, 2024.

**Mr. Dinesh Mandhana, Mr. Swapnil Dhumane and Mr. Sandeep Deshpande appointed as Directors w.e.f. December 20, 2024.*

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3)(c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

AUDITORS

Pursuant to section 139 and 142 of Companies Act 2013, M/s. Kumar D A & Co., Chartered Accountants, (ICAI Firm Reg. No. 037876N) were appointed as statutory auditors at the Annual General Meeting held on December 31, 2020, for a period of 5 years.

During the year under review, M/s. Kumar D A & Co., Chartered Accountants, tendered their resignation as Statutory Auditors of the Company with effect from March 29, 2025. The Board of Directors, at their meeting held on April 3, 2025, appointed M/s. B.K. Khare & Co., Chartered Accountants (Firm Registration No. 105102W), as Statutory Auditors of the Company. The said appointment was subsequently approved by the shareholders at the Extra-Ordinary General Meeting held on April 10, 2025. Their term as Statutory Auditors in casual vacancy is valid until the conclusion of the ensuing Annual General Meeting.

The Board of Directors, at their meeting held on May 7, 2025, have approved and recommended the appointment of M/s. B.K. Khare & Co., Chartered Accountants, as the Statutory Auditors of the Company for a term of five consecutive years, commencing from the conclusion of the 30th Annual General Meeting until the conclusion of the 35th Annual General Meeting, for the approval of the shareholders.

The Auditor's Report for the financial year ended March 31, 2025, does not contain any qualification, reservation, adverse remark, or disclaimer.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All Related Party Transactions (RPTs) as per the provisions of the Companies Act, 2013 that were entered during the financial year were in the ordinary course of the business of the Company and were on arm's length basis. There were no materially significant RPTs entered by the Company with Promoters, Directors or other persons which may have a potential conflict with the interest of the Company. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the financial statements.

CONSERVATION OF ENERGY

The Company participates in the activities of holding company for conservation of energy.

TECHNOLOGY ABSORPTION

There was no technology acquisition and absorption during the year under review.

BUILDTECH PRODUCTS INDIA PRIVATE LIMITED

FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were no transactions relating to foreign exchange earnings and outgo as per Section 134(3)(m) of the Companies Act, 2013.

PARTICULARS OF EMPLOYEES

None of the employees are covered by the provisions contained in rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

During the year there are no significant material orders passed by the Regulators / Courts which would adversely impact the going concern status of the company and its operations in future.

RESTRICTION ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company or to its Directors, for purchase or subscribe shares of the Company.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. The Company has a duly constituted Internal Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no cases pending at the beginning of the year / filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

APPLICATION MADE OR PROCEEDING PENDING UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

During the period under review, there were no application made or proceedings pending in the name of the Company under the Insolvency and Bankruptcy, Code, 2016

DIFFEERNCE BETWEEN VALUATION AMOUNT ONE-TIME SETTLEMENT AND VALUATION WHILE AVAILING LOAN FROM BANKS AND FIANCIAL INSTITUTIONS

During the period under review, there has been no one-time settlement of Loans taken from Banks and Financial Institutions.

COST RECORDS APPLICABILITY

The provisions relating to maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 were not applicable on the Company during the financial year.

ACKNOWLEDGEMENT

The Directors wish to place on record their appreciation for the support extended by the company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of
Buildtech Products India Private Limited

	Dinesh Mandhana	**Swapnil Dhumane**
Place: Pune,	Director	Director
Date: May 7, 2025	DIN: 10646110	DIN: 10646109

Annexure: 1

Corporate Social Responsibility Activities of the Company during the Financial Year 2024-25:

1. **Brief Outline on CSR Policy of the Company:**

   BUILDTECH PRODUCTS INDIA PRIVATE LIMITED (hereinafter called "the Company") intends not only to be a business entity, but also a member of the local community in which it operates. The company strives to build good relationship with representative of these communities. Through CSR activities the company also intends build the bond and a sense of solidarity with the environment and its problems.

   We recognize that we are guests of the communities that we operate in and we ensure that every possible effort is made to minimize the impact of our work on the residents, the community, and their environment.

   We encourage constant communication and consultation with the communities that we work in to maximize the impact of the community development and livelihood enhancements programs. As part of our commitment to support and develop communities, we regularly organize community driven initiatives as part of our CSR activity through promotion of education, skill development, preventative health care programs, ensuring agricultural sustainability and other related activities.

   We believe in the betterment of the ecosystem that we operate in, and it is our constant endeavor to ensure that all efforts are made to protect the communities that we touch through our work.

2. Composition of CSR Committee: **NA**

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company: **NA**

   The details of Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the Company : **NA**

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable : **NA**

5. Details of Net Profit and CSR Obligation for the Financial Year 2024-25:

(a) Average net profit of the company as per sub-section (5) of section 135.	4,19,73,749
(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	8,39,475
(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.	NIL
(d) Amount required to be set-off for the financial year, if any.	NIL
(e) Total CSR obligation for the financial year [(b)+(c)-(d)].	8,39,475

6. Details of amount spent on CSR Obligations:

(a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).	0
(b) Amount spent in Administrative Overheads.	NIL
(c) Amount spent on Impact Assessment, if applicable.	NA
(d) Total amount spent for the Financial Year [(a)+(b)+(c)].	0

(e) CSR amount spent or unspent for the Financial Year:

Total Amount Spent for the Financial Year (in Rs.)	**Amount Unspent (in Rs.)**				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135.		**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.**		
	Amount	**Date of Transfer**	**Name of the Fund**	**Amount**	**Date of Transfer**
0	--	--	--	--	--

(f) Excess amount for set-off, if any: NIL

Sr. No.	**Particulars**	**Amount (in Rs.)**
(1)	(2)	**(3)**
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	8,39,475
(ii)	Total amount spent for the Financial Year	0
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	NIL
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	NIL
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	NIL

BUILDTECH PRODUCTS INDIA PRIVATE LIMITED

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sr. No.	**Preceeding Financial year(s)**	**Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in Rs.)**	**Balance Amount in Unspent CSR Account Under subsection (6) of section 135 (in Rs.)**	**Amount Spent in the Financial Year (in Rs.)**	**Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any**		**Amount remaining to be spent in succeeding Financial Years (in Rs.)**	**Deficiency, if any**
					Amount (in Rs.)	**Date of Transfer**		
1	FY 1							
2	FY 2							
3	FY 3							

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NO**

   If yes, enter the number of Capital assets created/ acquired: **NA**

   Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year: **NA**

Sr. No.	**Short particulars of the property or asset(s) [including complete address and location of the property]**	**Pincode of the property or asset(s)**	**Date of creation**	**Amount of CSR amount spent**	**Details of entity/ Authority/ beneficiary of the registered owner**		
					CSR Registration Number, if applicable	**Name**	**Registered address**
(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**		
Not Applicable							

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135:

   The reason for amount remaining unspent was mainly due to the Company's inability to identify suitable and impactful projects that aligns with its CSR objective and values. In accordance with the provisions of Section 135(5) of the Companies Act, 2013 and the Rules made thereunder, the unspent amount, will be transferred to a fund specified under Schedule VII of the Act within prescribed timelines.

For and on behalf of the Board of Directors of
Buildtech Products India Private Limited

Dinesh Mandhana
Director
DIN: 10646110

Swapnil Dhumane
Director
DIN: 10646109

Place: Pune,
Date: May 7, 2025

INDEPENDENT AUDITOR'S REPORT

To the members of Buildtech Products India Private limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **Buildtech Products India Private Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the period then ended, and 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, 2025, its Profits and total comprehensive income, its changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Other Matter

The Financial Statements of the Company for the year ended March 31, 2024, were audited by another auditor who expressed an unmodified opinion on those statements on September 06, 2024.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Financial Statements and our Auditors' 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 for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) Based on the records examined by us and according to information and explanations given to us, the Company has not paid/provided for managerial remuneration. Hence, the provisions of Section 197 of the Act related to managerial remuneration are not applicable.

   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 does not have any pending litigations which would impact its financial position in its 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) The management has represented that, to the best of its knowledge and belief, 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 that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement.

      (v) The Company has not declared/paid/declared and paid any dividend during the year; and

      (vi) Based on our examination which included test checks and information given to us, the Company has used accounting software for maintaining its books of account, which did not have a feature recording audit trail (edit log) facility throughout the year for all relevant transactions recorded in the respective softwares, hence we are unable to comment on audit trail feature of the said software.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXSB4054
Place: Pune
Date: May 7, 2025

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

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

We have audited the internal financial controls with reference to Financial Statements of **Buildtech Products India Private Limited** ("the Company") as of March 31, 2025, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXSB4054
Place: Pune
Date: May 7, 2025

BUILDTECH PRODUCTS INDIA PRIVATE LIMITED

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

(i) (a) (A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) The Company does not have intangible assets on the reporting date. Thus, reporting under clause 3(i)(a)(B) of the order is not applicable to the Company.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items every year. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and on the basis of our examination of records of the Company, in respect of immovable properties (Land) that have been taken on lease, the lease agreements are held in the name of the Company where the Company is the lessee in the agreements. The Company does not have any other immovable property.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence reporting under clause 3((i)(d) is not applicable to the Company.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, 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) (ii) (a) According to the information and explanations given to us, the inventory comprising of raw materials, work-in-progress, finished goods have been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.

(b) According to the information and explanations given to us, the Company has not 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 at any point of time during the year.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act for the products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, specified by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the 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 other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been a slight delay in a few cases . According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of 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 other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Income Tax, Goods and Services Tax, Service Tax, Provident Fund, Employees State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess as at 31 March 2025, which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) Though establishment of vigil mechanism is not mandated for the Company by the Act, or by Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) ("SEBI LODR") Regulations, as represented by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 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 and based on our examination, internal audit system is not applicable to the Company. Hence reporting under clause 3(xiv) is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company and subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us, we report that the Company (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

(xviii) There has been resignation of the statutory auditors during the year. However, there are no issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the Balance Sheet date, will get discharged by the Company as and when they fall due.

(xx) (a) According to the information and explanations given to us, the company has not transferred the amount remaining unspent in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Act till the date of our audit report. However, the time period for such transfer i.e. six months of the expiry of the financial year as permitted under the second proviso to sub-section (5) of Section 135 of the Act, has not elapsed till the date of our audit report.

(b) According to the information and explanations given to us, there are no ongoing projects relating to corporate social responsibility. Accordingly, the reporting under Clause 3(xx)(b) of the Order is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXSB4054
Place: Pune
Date: May 7, 2025

BUILDTECH PRODUCTS INDIA PRIVATE LIMITED

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
I. Non-current assets			
Property, plant and equipment	4 (a)	150.89	183.25
Capital work-in-progress	4 (b)	67.68	-
Right-of-use assets	4 (c)	68.06	68.90
Investments in subsidiaries and joint ventures			
Financial assets:			
Other financial assets	9	913.73	5.79
Deferred tax asset (net)	10	39.71	37.26
Total non-current assets		**1,240.07**	**295.20**
II. Current assets			
Inventories	12	106.73	119.53
Financial assets:			
(a) Investments	8	-	104.44
(b) Trade receivables	7	1,015.44	1,228.47
(c) Cash and bank balances	13	336.41	699.32
(d) Other financial assets	6	72.65	-
Income tax asset (net)	10	6.96	16.09
Other current assets	11	10.32	62.32
Total current assets		**1,548.51**	**2,230.17**
Total assets		**2,788.58**	**2,525.37**
Equity and liabilities			
III. Equity			
Equity share capital	14	152.10	152.10
Other equity	15	1,933.79	1,665.20
Total equity		**2,085.89**	**1,817.30**
IV. Non-current liabilities			
Financial liabilities			
(a) Borrowings	16	-	1.72
Other non-current liabilities	18	-	4.50
Total non-current liabilities		**-**	**6.22**
IV. Current liabilities			
Financial liabilities			
(a) Borrowings		-	-
(b) Trade payables	17	-	-
i. total outstanding dues of micro enterprises and small enterprises		137.42	69.77
ii. total outstanding dues of creditors other than micro enterprises and small enterprises		524.69	560.86
(b) Other financial liabilities	18	30.51	49.92
Provisions	19	1.80	1.33
Other current liabilities	20	8.27	19.97
Total current liabilities		**702.69**	**701.85**
Total equity and liabilities		**2,788.58**	**2,525.37**
Summary of Material accounting policies	2		
Summary of significant accounting judgements, estimates and assumptions	3		

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Income			
Revenue from operations	21	2,864.77	3,716.36
Other income	22	34.32	18.13
Total Income (I)		**2,899.09**	**3,734.49**
Expenses			
Cost of raw materials and components consumed	23	1,822.97	2,352.83
Changes in inventories of work-in-progress /traded goods work-in-progress and traded goods	24	(22.59)	-
Employee benefits expense	25	330.29	425.35
Finance cost	26	14.28	0.63
Depreciation and amortisation expense	4	29.19	33.35
Other Expenses	27	339.19	390.30
Total expenses (II)		**2,513.33**	**3,202.46**
Profit before tax (III) = (I-II)		**385.76**	**532.03**
Tax expense			
Current tax	10	119.11	152.00
Adjustment of tax relating to earlier period			
Deferred tax (net)	6	(2.33)	0.00
Total tax expense (IV)		**116.78**	**152.00**
Profit for the year (V) = (III-IV)		**268.98**	**380.03**
Other comprehensive income		-	-
Items that will not be reclassified to profit or loss	29		
Re-measurement of defined benefit plans		(0.52)	(0.87)
Less: Deferred tax effect		0.13	0.22
Net other comprehensive income for the year (net of tax)		**(0.39)**	**(0.65)**
Total comprehensive income for the year		**268.59**	**379.38**
Earning per equity share [Nominal value per share Rs.10/- each (March 31, 2025: Rs.10/-)]	28		
Basic		17.68	24.99
Diluted		17.68	24.99
Summary of significant accounting policies	2		
Summary of significant accounting judgements, estimates and assumptions	3		

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

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

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Reg No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of Buildtech Products India Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Place: Pune
Date: May 07, 2025

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

	Particulars	Year ended March 31, 2025	Year ended March 31, 2024
A)	**Cash flows from operating activities**		
	Profit before tax	385.76	532.03
	Adjustments to reconcile profit before tax to net cash flows		
	Depreciation and amortisation expense	29.19	33.35
	Bad debts written off	(9.21)	13.48
	Profit on sale/discard of assets (net)	(1.21)	-
	Interest income	(9.13)	(6.29)
	Fair value gain on financial instrument at fair value through profit & loss (net)	-	(4.44)
	Loss/(Profit) on sale/discard of assets (net)	(0.21)	-
	Finance cost on redemption liability	0.02	0.63
	Provision for CSR Expenditure	8.34	-
	Working capital adjustments		
	(Increase) / Decrease in trade receivables	222.23	(234.92)
	(Increase) / Decrease in inventories	12.81	22.73
	(Increase) / Decrease in Other current assets	(20.64)	(10.28)
	Increase / (Decrease) in trade payables	23.15	(151.20)
	Increase / (Decrease) in other liabilities	(35.40)	32.16
	Increase / (Decrease) in provisions	(0.05)	(2.51)
	Cash generated (used in)/ from operations	**605.63**	**224.75**
	Direct taxes paid (net of refunds received)	(109.98)	(168.09)
	Net cash flows used in operating activities	**495.65**	**56.66**
B)	**Cash flows from/ (used in) investing activities**		
	Purchase of Property, plant and equipment (net)	(68.90)	(12.43)
	Sale of property, plant and equipment	5.22	
	Proceeds from sale of investments	105.66	(99.00)
	Interest received	9.13	6.29
	Proceeds from fixed deposits/(investment) in fixed deposits	(907.93)	161.79
	Net cash flows (used in) investing activities	**(856.82)**	**56.65**
C)	**Cash flows from/ (used in) financing activities**		
	Proceeds from borrowings	(1.72)	(9.05)
	Interest paid	(0.02)	(0.63)
	Net cash flows from/(used in) financing activities	**(1.74)**	**(9.68)**
	Net (decrease)/ increase in cash and bank balances	**(362.91)**	**103.63**
	Cash and bank balances at the beginning of the year	699.32	595.69
	Cash and bank balances at the end of the year	**336.41**	**699.32**

Reconciliation of cash and cash equivalents as per the cash flow statement:

	March 31, 2025	March 31, 2024
Cash and bank balances	336.41	699.32
Balances as per statement of cash flows	**336.41**	**699.32**

The accompanying notes are an integral part of the financial statements.
As per our report of even date attached

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Reg No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of
Buildtech Products India Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Place: Pune
Date: May 07, 2025

BUILDTECH PRODUCTS INDIA PRIVATE LIMITED

Statement of Changes in Equity for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

A Equity Share Capital ^ (Refer note 15)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
Balance at the beginning of the year	14	152.10	152.10
Changes in equity shares capital during the year	14	-	-
Balance at the end of the year	14	**152.10**	**152.10**

B Other Equity ^ (Refer note 15)

Description	Attributable to the equity holders of the parent				Total other equity
	Reserves and surplus				
	General reserve	Capital redemption reserve	Retained earnings	Securities premium	
As at April 1, 2023	**-**		**1,285.82**		**1,285.82**
Profit for the year			380.03		380.03
Other Comprehensive Income (net)			(0.65)		(0.65)
Total comprehensive income	**-**	**-**	**379.38**	**-**	**379.38**
As at March 31, 2024	**-**	**-**	**1,665.20**	**-**	**1,665.20**
Profit for the year	-	-	268.98	-	268.98
Other Comprehensive Income (net)	-	-	(0.39)	-	(0.39)
Total comprehensive income	**-**	**-**	**268.59**	**-**	**268.59**
As at March 31, 2025	**-**	**-**	**1,933.79**	**-**	**1,933.79**

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Reg No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of
Buildtech Products India Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Place: Pune
Date: May 07, 2025

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

1. Corporate information

Buildtech Products India Private Limited (the Company) is in the business of manufacturing, producing, processing, buying, selling, importing, exporting, distributing, and dealing in all kinds of Construction chemicals, including but not limited to Admixture, Powder, Resinpubase, Waterprofing, Accelerator,Microsilica,Cement Capsule,Resin Capsule, and Poly Fiber & Membrane (together termed as "chemical products").

The Company is a private limited company incorporated under the provisions of The Companies Act, 1956 and domiciled in India. The address of its registered office is 3rd Floor, Plot no. 41, Okhla Phase-III, Okhla Industrial Estate, New Delhi,Okhla Industrial Estate, South Delhi, New Delhi, Delhi, India, 110020

The Board of Directors have authorized to issue these financial statements on May 07, 2025. The CIN of the Company is U74899DL1995PTC073661.

2 Material accounting policies

2.1 Basis of preparation, measurement

a. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Sch III) as applicable to the financial statements.

The preparation of the financial statements requires the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

b. Basis of measurement

The financial statements have been prepared on the accrual and going concern basis under historical cost convention except certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

2.2 Summary of material accounting policies, critical accounting estimates and judgements

a. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/noncurrent classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- 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 expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Foreign currencies

The Company's standalone financial statements are prepared in INR, which is also the functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c Financial instruments

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.

Financial assets

All financial assets are recognized initially at fair value except for Trade receivables which are recognised initially at the transaction price.

(i) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

The Company does not have any debt instrument measured at fair value or any equity investments.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are provided in the following notes:

- **Trade receivables -** Refer note 7;

Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables. Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. The Company's all financial liability are currently classified under amortized cost.

Amortized cost category is applicable to trade and other payables. After initial recognition the financial liabilities are measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3 SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Company's accounting policies, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on industry experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

a. Estimates and assumptions related to useful lives of Property, Plant and Equipment (PPE) (Refer note 4)

b. Estimate and assumptions for income taxes (Refer note 10)

c. Estimations used for impairment of trade receivable (Refer note 7);

d. Judgments related to employee benefits expense (Refer note 19)

4 (a) Property, Plant and Equipment (PPE)

Accounting policy

Property, Plant and Equipment (PPE) are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalized. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance are charged to the Consolidated Statement of profit and loss during the financial year in which they are incurred. The carrying amount of the replaced part is derecognised. The carrying amount of an item of property, plant and equipment shall be derecognized on disposal or when no future economic benefits are expected from its use or disposal.

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

(a) OWNED ASSETS:

Particulars	Freehold land	Buildings	Plant and equipment	Office equipment	Computer	Furniture and fixtures	Vehicles	Total	Capital work-in-progress
Gross carrying amount as at April 1, 2023* (Deemed Cost)		**173.20**	**91.52**	**11.37**	**3.11**	**5.48**	**61.61**	**346.29**	
Additions		1.08	0.79	8.66	0.45	1.45	-	12.43	
Disposals/Transfers/Adjustments		-	-	(5.44)	-	-	-	(5.44)	
Non-current asset classified as held for sale								-	
Exchange differences								-	
Gross carrying amount as at March 31, 2024*	**-**	**174.28**	**92.31**	**14.59**	**3.56**	**6.93**	**61.61**	**353.28**	
Additions		-	0.76	0.46	-	-	-	1.22	67.68
Disposals/Transfers/Adjustments		-	(0.33)	-			(49.20)	(49.53)	
Non-current asset classified as held for sale								-	-
Exchange differences								-	-
Gross carrying amount as at March 31, 2025	**-**	**174.28**	**92.74**	**15.05**	**3.56**	**6.93**	**12.41**	**304.97**	**67.68**
Accumulated depreciation and impairment as at April 1, 2023*		**55.91**	**30.04**	**9.09**	**2.46**	**3.69**	**40.78**	**141.97**	
Charge for the year		11.23	11.17	2.28	0.57	0.80	6.45	32.50	
Addition on account of acquisition								-	
Disposals/Transfers/Adjustments		-	-	(4.44)	-	-	-	(4.44)	
Non-current asset classified as held for sale								-	
Exchange differences								-	
Accumulated depreciation and impairment as at March 31, 2024*		**67.14**	**41.21**	**6.93**	**3.03**	**4.49**	**47.23**	**170.03**	**-**
Charge for the year		10.18	9.27	3.68	0.34	0.63	4.26	28.36	-
Disposals/Transfers/Adjustments		-	-	-	-	-	(44.31)	(44.31)	-
Non-current asset classified as held for sale (note 42)								-	-
Exchange differences								-	-
Closing accumulated depreciation and impairment as at March 31, 2025	**-**	**77.32**	**50.48**	**10.61**	**3.37**	**5.12**	**7.18**	**154.08**	**-**
Net Block as at March 31, 2025	**-**	**96.96**	**42.26**	**4.44**	**0.19**	**1.81**	**5.23**	**150.89**	**67.68**
Net Block as at March 31, 2024	**-**	**107.14**	**51.10**	**7.66**	**0.53**	**2.44**	**14.38**	**183.25**	
Net Block as at April 1, 2023	**-**	**117.29**	**61.48**	**2.28**	**0.65**	**1.79**	**20.83**	**204.32**	

*The Company had elected to continue with the carrying value of property, plant and equipment as recognised in the consolidated financial statements as per previous GAAP and had regarded those values as the deemed cost on the date of transition (i.e. April 1, 2023). The Company has disclosed the gross cost and accumulated depreciation above, for information purpose only.

(b) CAPITAL WORK-IN-PROGRESS ('CWIP')

Accounting policy

The Company recognises capital work in progress at cost, net of accumulated impairment loss, if any.

Ageing of Capital work-in-progress (CWIP) *:

Description		Amount in CWIP for a period of			
		Less than 1 year	1-2 years	2-3 years	Total
Capital work-in-progress 1st Apr 2023	As at April 1, 2023	**-**	**-**	**-**	**-**
Capital work-in-progress 31st Mar 2024	01-Apr-23 to 31-Mar-24	-	-	-	-
	As at March 31, 2024	**-**	**-**	**-**	**-**
Capital work-in-progress 31st Mar 2025	01-Apr-24 to 31-Mar-25	**67.68**	**-**	**-**	**67.68**
	As at March 31, 2025	**67.68**	**-**	**-**	**67.68**

4 (b) Right of use assets

Accounting policy

Company recognises right of use assets at cost at the commencement date of the lease. The cost of right of use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. After the commencement date, ROU assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. Right of use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated remaining useful lives of the assets, as follows:

- Leasehold Land - 1 to 99 years

	Leasehold land
Gross carrying amount as at April 1, 2023	**69.74**
Additions	
Disposals/Transfers/Adjustments	
Exchange differences	
Gross carrying amount as at March 31, 2024	**69.74**
Additions	-
Disposals/Transfers/Adjustments	-
Exchange differences	-
Gross carrying amount as at March 31, 2025	**69.74**
Accumulated depreciation and impairment as at April 1, 2023	**-**
Charge for the year	0.84
Disposals/Transfers/Adjustments	
Exchange differences	
Accumulated depreciation and impairment as at 31st Mar, 2024	**0.84**
Charge for the year	0.84
Disposals/Transfers/Adjustments	-
Exchange differences	-
Closing accumulated depreciation and impairment as at March 31, 2025	**1.68**
Net Block as at March 31, 2025	**68.06**
Net Block as at March 31, 2024	**68.90**
Net Block as at April 1, 2023	**69.74**

The Company has taken certain assets on lease which has been accounted in accordance with Ind AS 116-Leases under right-of-use assets.

(d) DEPRECIATION AND AMORTISATION EXPENSES

	Year ended March 31, 2025	Year ended March 31, 2024
Depreciation on Property plant and equipment	28.36	32.51
Depreciation on Right to Use Asset	0.84	0.84
Amortisation of intangible asset		
	29.20	**33.35**

5 Financial risk management

The Company's principal financial liabilities, comprise trade and 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 and cash and cash equivalents that derive directly from its operations. Risk is inherent in the Company's activities but it is managed through a process of on going identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

I 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 of currency risk.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company's has not entered into any transaction in foreign currency during the year.

Foreign exchange risk is managed on the basis of continuous assessment of current and expected exchange rate movements.

Commodity price risk

Commodity price risk for the Company is mainly related to fluctuations in RM - 1A and Aluminium Sulphate prices which are linked to various external factors, which can affect the production cost of the Company and can lead to drop in operating margin. To manage this risk, processes and policies are put in place by senior management. The policies are reviewed regularly and are implemented by the central procurement team. The Company has not hedged its exposure to future commodity purchases.

	Change in commodity price	Effect on profit before tax	Effect on pre-tax equity
GBP Sensitivity			
'RM-1A (GUJARAT PCA 510 (L)	+5%	38.41	38.41
	-5%	(38.41)	(38.41)
'ALUMINIUM SULPHATE	+5%	10.75	10.75
	-5%	(10.75)	(10.75)

The sensitivity is calculated by changing the purchase price of commodities by 5% keeping all other factors constant.

Price risk

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

II 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

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

trade receivables) and from its financing activities and deposits and other balances with banks.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous company and assessed for impairment collectively. The calculation is based on losses as per historical data. Credit risk is managed through credit approval process by establishing credit limits along with continuous monitoring of credit worthiness of customers to whom credit terms are granted. Wherever required, credit risk of receivables is further covered through letter of credit, bank guarantee, business deposits and such other forms of credit assurance schemes.

	As at March 31, 2025		As at March 31, 2024	
	Gross	Expected loss allowance	Gross	Expected loss allowance
Not due	-	-	-	-
Less than 6 months	799.20	5.80	1,158.83	7.43
6 months to 1 years	206.44	-	34.26	
1 to 2 years	14.90	4.92	38.96	12.86
> 2 years	50.36	44.75	61.09	44.38
Total	**1,070.90**	**55.47**	**1,293.14**	**64.67**

Financial instruments and bank deposits

Credit risk from balances with banks and other financial assets are managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties having a good market reputation and within credit limits assigned to each

counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for bank balances and deposits as at March 31, 2025, March 31, 2024 and April 1 2023, is the carrying amounts as disclosed in Note 8 to the financial statements.

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

The management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements. The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

(i) Maturities of financial liabilities

The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

March 31, 2025	On demand	Less than 3 months	3 months to 1 year	More than 1 years	Total
Year ended 31 Mar 2025					
Other financial liabilities	-	30.51			30.51
Trade payables	12.05	650.06			662.11
Total	**12.05**	**680.57**	**-**	**-**	**692.62**
Year ended 31 March 2024					
Other financial liabilities	-	49.93			49.93
Trade payables	9.57	621.06			630.63
Total	**9.57**	**670.99**	**-**	**-**	**680.56**
Year ended 31 March 2023					
Other financial liabilities	-	26.13			26.13
Trade payables	-	781.83			781.83
Total	**-**	**807.96**	**-**	**-**	**807.96**

6 First-time adoption

Transition to Ind AS

The Company's financial statements for the year ended 31 March, 2025 are the first annual financial statements prepared by the Company in order to comply with Ind AS. The adoption of Ind AS was carried out in accordance with Ind AS 101, using 1 April, 2023 as the transition date. The transition was carried out from Previous GAAP (based on the AS framework) to Ind AS. The effect of adopting Ind AS has been summarized in the reconciliations provided below.

Ind AS 101 generally requires full retrospective application of the Standards in force at the first reporting date. However, Ind AS 101 allows certain exemptions in the application of particular Standards to prior periods in order to assist companies with the transition process.

The accounting policies as stated above in Note 2 above have been applied in preparing the financial statements for the year ended 31 March, 2025, the financial statements for the year ending 31 March, 2024 and the preparation of an opening Ind AS statement of financial position as at 1 April, 2023. In preparing its opening Ind AS Balance Sheet and Statement of Profit and Loss for the year ended 31 March, 2024, the Company has adjusted amounts reported in financial statements prepared in accordance with Previous GAAP. An explanation of how the transition from Previous GAAP to Ind AS has affected the Companies financial position, financial performance and cash flows is set out in the following tables.

Reconciliation of total equity as at March 31, 2024 and April 1, 2023

		March 31, 2024	April 1, 2023
	Total Equity as per previous GAAP	1,851.76	1,480.57
	Ind-AS Adjustments [Increase in Equity/ (Decrease in Equity)]		
i.	Transition Impact of Lease as per IND AS 116 (net of tax)	(0.84)	-
ii	Impact on Deferred taxes of above adjustments		
ii	Impact of ECL on Trade Receivable (net of deferred tax)	(48.40)	(38.31)
iii	Fair Value Gain/(Loss) on Investment (net of deferred tax)	3.32	
	Deferred Tax on above		
iv.	Other Adjustment	11.44	(4.34)
	Total Ind-AS adjustments	**(34.47)**	**(42.65)**
Total Equity as per Ind-AS		**1,817.30**	**1,437.92**

Reconciliation of total comprehensive income for the year ended March 31, 2024

		Year ended March 31, 2024
	Net profit after tax under previous GAAP	380.90
	Ind AS adjustments [Increase in profits / (decrease in profits)]	
i.	Transition Impact of Lease as per IND AS 116 (net of tax)	(0.84)
iii.	Impact of ECL on Trade Receivable (net of deferred tax)	(10.09)
iv.	Fair Value Gain/(Loss) on Investment	3.32
v.	Other Adjustment	6.07
	Total of adjustments	**(1.53)**
	Net Profit after tax as per Ind-AS	**379.38**

Notes to above re-conciliations

A The company has lease agreements for long-term land use in exchange for rent consideration. The property was originally taken on a 99-year lease, and based on Ind AS 116, the company needs to evaluate whether it qualifies for recognition as a Right-of-Use (ROU) asset.

B As per Ind AS 101, entity is required to determine the of credit risk at the date of initial recognition of financial asset and compare the same with credit risk at the transition date. If the determination requires undue cost and efforts, an entity shall recognize a loss allowance equal to lifetime expected credit losses at each reporting date until that financial instrument is de-recognized.

C As per Ind AS 109, investments must be reclassified and measured at Fair Value through Profit or Loss (FVTPL), since it do not meet the criteria of solely payments of principal and interest (SPPI). The option to classify these investments as Fair Value Through Other Comprehensive Income (FVTOCI) is not available to the company due to the nature and purpose of the investment.

7 TRADE RECEIVABLES - AT AMORTIZED COST

Accounting policy

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due).

(a) CURRENT TRADE RECEIVABLES

	As at March 31, 2025	As at March 31, 2024
Trade receivables from:		
i) Related parties (note 33)	41.99	-
ii) Others	973.45	1,228.47
Total	**1,015.44**	**1,228.47**
Break-up for security details		
Secured, considered good		
Unsecured, considered good	1,015.44	1,228.47
Trade receivables which has a significant increase in credit risk	55.46	64.67
Trade receivables - credit impaired	(55.46)	(64.67)
	1,015.44	**1,228.47**
Less: Impairment allowance*	**-**	
Total	**1,015.44**	**1,228.47**

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person. Nor any receivable from firms or private companies in which any director is a partner, a director or a member, respectively.

The ageing of current trade receivables which are due for receipt:

Particulars		Outstanding for the following period					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables-considered good	March 31, 2025	799.20	206.44	14.90	17.01	33.36	**1,070.91**
	March 31, 2024	1,158.83	34.26	38.96	50.62	10.47	**1,293.14**
	April 1, 2023	892.97	82.66	34.49	48.11	-	**1,058.23**
Less: Impairment allowance	March 31, 2025						**(55.46)**
	March 31, 2024						**(64.67)**
	April 1, 2023						**(51.19)**
Total	March 31, 2025						**1,015.44**
	March 31, 2024						**1,228.47**
	April 1, 2023						**1,007.03**

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

(c) Expected Credit Loss (ECL)

Accounting Policy

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognizes impairment allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

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

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

increase in credit risk since initial recognition, then the entity reverts to recognizing impairment allowance based on 12-month ECL. The Company considers current and anticipated future economic conditions relating to industries the Company deals with and the countries where it operates.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Consolidated Statement of profit and loss under the head 'other expenses' in the Consolidated Statement of profit and loss. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

The following table summarises the change in impairment allowance measured using the life time expected credit loss model (Pursuant to Ind AS 109):

	Provision on trade receivables		Provision on unbilled revenue	
	As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
At the beginning of the year	64.67	64.67	-	
Less: Bad debts/ write off	-		-	
	64.67	64.67	-	-
Add: Provision made during the year				
Less: Utilized/reversed during the year	(9.21)			
Exchange differences				-
At the end of the year	**55.46**	**64.67**	**-**	**-**

8 INVESTMENTS

TOTAL CURRENT INVESTMENTS	As at March 31, 2025	As at March 31, 2024
Investments at Fair value through Profit and Loss		
Liquid/ Liquid Plus and Duration funds (Quoted)		
Units of Mutual Funds (Quoted)		104.44
Sub total (A)	**-**	**104.44**
Investments at amortised cost		
Investments in Corporate Fixed Deposits (Unquoted)		
Sub total (B)	**-**	**-**
Investments at amortised cost		
Investments in Corporate Bonds (Unquoted)		
Sub total (C)	**-**	**-**
Total Current Investments D=(A+B+C)	**-**	**104.44**
Aggregate amount of quoted investments and market value thereof	-	104.44
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in the value of investments	-	-

9 OTHER FINANCIAL ASSETS - AT AMORTIZED COST

Accounting policy

Contract assets: A contract asset is the right to consideration in exchange for goods or services transferred to the customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognised for the earned consideration and are transferred to trade receivables on completion of milestones and its related invoicing. Contract assets are recorded in balance sheet as unbilled revenue.

(a) Other Non-Current Assets

Particulars	As at March 31, 2025	As at March 31, 2024
Bank deposits with remaining maturity more than twelve months #	912.94	5.00
Security deposits	0.79	0.79
Total	**913.73**	**5.79**

10 INCOME TAXES

Accounting policy

Tax expense comprises current tax expense and deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date in the tax jurisdictions where the Company operates and generates taxable income.

Deferred tax

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

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

The major components of income tax expense for the year ended March 31, 2025 and March 31, 2024 are:

Statement of profit and loss	As at March 31, 2025	As at March 31, 2024
Current tax	119.11	152.00
Deferred tax	(2.33)	0.00
Income tax expense reported in the consolidated statement of profit or loss	**116.78**	**152.00**

Other comprehensive income	As at March 31, 2025	As at March 31, 2024
Deferred tax related to items recognised in other comprehensive income during the year		
Net gain/(loss) on remeasurements of defined benefit plans	0.13	0.22
Deferred tax credit in other comprehensive income	**0.13**	**0.22**

Deferred tax

Balance Sheet	As at March 31, 2025	As at March 31, 2024
Deferred tax relates to the following :		
Impact of difference between tax depreciation and depreciation/ amortisation charged for financial reporting purposes	18.77	22.83
Losses available for offsetting against future taxable income	-	-
Provision for doubtful debts, advances and liquidated damages	13.96	16.28
Employee benefit obligations	-	-
Items allowed on payment basis	6.99	(1.86)
Others	-	-
Net deferred tax assets	**39.71**	**37.26**

Reconciliation of deferred tax assets (net)	As at March 31, 2025	As at March 31, 2024
Opening balance	37.26	37.04
Tax (expense)/ income during the year recognised in profit or loss	2.33	(0.00)
Tax (expense)/ income during the year recognised in OCI	0.13	0.22
Currency translation effect	-	
Closing balance	**39.71**	**37.26**

11 OTHER ASSETS

	As at March 31, 2025	As at March 31, 2024
Unsecured, considered good		
Advance to suppliers	0.10	0.10
Advance to employees	1.30	0.75
Prepayments (Flat (Gaziabad))	-	42.41
Balances with government authorities	8.92	9.35
Prepaid employee benefits (note 25)		
Others (includes interest due, other recoveries of expenses, etc.)		9.71
Total	**10.32**	**62.32**

There were no advances due by directors or officers of the Holding company or any of them severally or jointly with any other persons or amounts due by firms or private companies respectively in which any director is a partner or a member.

12 INVENTORIES

Accounting policy

Inventories are stated at the lower of cost and net realisable value (NRV). Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Write down of inventories are calculated based on an analysis of foreseeable changes in demand, technology, market conditions and ageing of inventories.

	As at March 31, 2025	As at March 31, 2024
Raw materials, components and bought-outs **	84.14	119.53
Work-in-progress		
Finished goods	20.87	-
Stores and spares	-	-
Traded goods	1.72	-
Total	**106.73**	**119.53**

13 (a) CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Consolidated Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

	As at March 31, 2025	As at March 31, 2024
Balances with banks		
- in current accounts (including balances with EEFC accounts)	336.41	696.08
Cash on hand	-	3.24
Total	**336.41**	**699.32**

14 SHARE CAPITAL

Accounting policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

	As at March 31, 2025	As at March 31, 2024
Authorized shares		
20,00,000 equity shares of Rs. 10/- each.	200.00	200.00
	200.00	**200.00**
Issued, subscribed and fully paid share capital		
15,21,000 equity shares of Rs. 10/- each.	152.10	152.10
Total issued, subscribed and fully paid-up share capital	**152.10**	**152.10**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the year

	No. of shares	Rs.
Equity share of Rs. 10 each issued, subscribed and fully paid		
As at April 1, 2023	15,21,000	152.10
Changes during the year	-	-
As at 31st Mar, 2024	15,21,000	152.10
Changes during the year	-	-
As at March 31, 2025	**15,21,000**	**152.10**

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors of the Holding Company is subject to the approval of the shareholders in the ensuing Annual General

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Holding Company

	As at March 31, 2025	As at March 31, 2024
Sunder Lal Kothari		
%		49.97
No. of shares		7,60,000
Sanjiv Kapoor		
%		49.97
No. of shares		7,60,000
Thermax Limited (Holding Company)		
%	100.00	
No. of shares	15,21,000	-

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

	As at March 31, 2025	As at March 31, 2024
Sunder Lal Kothari		
%	-	49.97
No. of shares	-	7,60,000
% of change during the year	-	-
Sanjiv Kapoor		
%	-	49.97
No. of shares	-	7,60,000
% of change during the year	-	-
Prapti Kothari		
%	-	0.06
No. of shares	-	1,000
% of change during the year	-	-
Thermax Limited (Holding Company)		
%	100.00	-
No. of shares	15,21,000	-
% of change during the year	100.00	-

(a) OTHER EQUITY

	As at March 31, 2025	As at March 31, 2024
Reserves and surplus		
General reserve	-	-
Retained earnings		
Opening balance	1,665.20	1,285.82
Add: Profit for the year	268.98	380.03
Add: Adjustments on account of acquisition of non-controlling interest		
Less: Dividends paid		
Movement during the year	268.98	380.03
Items of other comprehensive income recognised directly in retained earnings:		
Share of OCI of associates (Re-measurement of defined benefit plans (net of tax))	(0.39)	(0.65)
Net surplus in the Statement of profit and loss	**1,933.79**	**1,665.2 0**
Total Reserves and Surplus	**1,933.79**	**1,665.20**

General reserve

Represents amounts transferred from retained earning in earlier years as per the requirements of the erstwhile Companies Act 2013 of India and other countries' corporate laws.

(b) DISTRIBUTION MADE AND PROPOSED

Dividends

Accounting policy

Dividend to equity shareholders is recognized as a liability in the period in which the dividends are approved by the equity shareholders. Interim dividends that are declared by the Board of Directors without the need for equity shareholders' approvals are recognized as a liability and deducted from shareholders' equity in the year in which the dividends are declared by the Board of directors.

16 Borrowings - At Amortized Cost

(a) Non-current borrowings

	As at March 31, 2025	As at March 31, 2024
Term loans (from banks)		
Secured loans - Vehicle Loan	-	1.72
Total non-current borrowings	**-**	**1.72**

17 Trade payables at amortized cost

(a) Current Trade Payables

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	137.42	69.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	524.69	560.86
i) Related parties (note 32)	55.06	-
ii) Others	469.63	560.86
Total	**662.11**	**630.63**

For terms and conditions with related parties, refer note 32

Trade payables are non-interest bearing and are generally on terms up to 120 days

The ageing of current trade payables which are due for payment :

Particulars		Not Due	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises	March 31, 2025	120.12	3.33	3.94	10.03		**137.42**
	March 31, 2024	40.01	19.48	10.28			**69.77**
	April 01, 2023	72.01	60.73	0.57	0.29		**133.60**
(ii) Others	March 31, 2025	438.34	10.64				**448.98**
	March 31, 2024	560.56	0.30				**560.86**
	April 01, 2023	609.25	38.74	0.11	0.14		**648.24**
(iii) Disputed dues - Micro enterprises and small enterprises	March 31, 2025				-		**-**
	March 31, 2024			-			**-**
	April 01, 2023						**-**
(iv) Disputed dues- Others	March 31, 2025						**-**
	March 31, 2024						**-**
	April 01, 2023						**-**
Sub-total	March 31, 2025	558.46	13.97	3.94	10.03	-	**586.40**
	March 31, 2024	600.57	19.78	10.28	-	-	**630.63**
	April 01, 2023	681.26	99.47	0.67	0.43	-	**781.83**
Unbilled trade payable (Pertains to accured expenses/liabilities)	March 31, 2025	75.71					**75.71**
	March 31, 2024						**-**
	April 01, 2023						**-**
Total	March 31, 2025						**662.11**
	March 31, 2024						**630.63**
	April 01, 2023						**781.83**

Dues to micro small and medium enterprises

Particulars	As at March 31, 2025	As at March 31, 2024
Dues remaining unpaid as at 31st Mar		
- Principal	123.16	69.77
- Interest on the above	14.26	-
Interest paid in terms of Section 16 of the Act, along with the amount of payment made to the supplier beyond the appointed day during the year		
- Principal paid beyond the appointed date	207.91	790.73
- Interest paid in terms of Section 16 of the Act	-	-
Amount of interest due and payable for the period of delay on payments made beyond the appointed day during the year	14.26	-
Amount of interest accrued and remaining unpaid as at 31st Mar	14.26	-

18 Financial Liabilities

(a) Other Non-Current Liabilities

	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Trade deposits	-	4.50
Total	**-**	**4.50**

(b) Other Financial Liabilities

	As at March 31, 2025	As at March 31, 2024
At amortized cost		
Employee related payables	30.51	49.93
Payables for Property, plant and equipment and intangible assets	-	-
Total	**30.51**	**49.93**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

19 Provisions

Accounting policy

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognized as a separate asset, but only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognizes contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Remeasurements, 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 recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Remeasurements are not reclassified to the Consolidated Statement of profit and loss in subsequent periods.

Estimates and assumptions

• Defined benefit plan - Gratuity

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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 and mortality rates. 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 which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. Future salary increases are based on expected future inflation rates.

(a) Current provisions

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits		
Provision for gratuity	0.58	1.33
Provision for leave encashment	1.22	-
	1.80	**1.33**
Other provisions		
Other Misc Provisions		
	-	**-**
Total	**1.80**	**1.33**

(b) Gratuity

	As at March 31, 2025	As at March 31, 2024
Current asset	-	-
Current liability	(0.58)	(1.33)
Non-current liability	-	-
Net asset	**(0.58)**	**(1.33)**

I Changes in the net benefit obligation and fair value of plan assets are as follows :

Particulars	Present value of obligation	Fair value of plan assets	Net amount
March 31, 2024	**32.47**	**(31.14)**	**1.33**
Arising on account of acquisition	-	-	**-**
Current service cost	3.35	-	**3.35**
Interest expense/(income)	2.00	(2.07)	**(0.07)**
Total amount recognised in (Profit) or Loss	**5.35**	**(2.07)**	**3.28**
Experience adjustments	-	-	**-**
Return on plan assets (income)	(0.08)	-	**(0.08)**
Actuarial loss from change in demographic assumptions		-	**-**
Actuarial loss from change in financial assumptions	0.60	-	**0.60**
Total amount recognised in Other Comprehensive Income	**0.52**	**-**	**0.52**
Employer contributions	-	(4.55)	**(4.55)**
Benefits paid			**-**
March 31, 2025	**38.34**	**(37.76)**	**0.58**

II The net liability disclosed above relates to funded plans which are as follows :

	March 31, 2025	March 31, 2024
Present value of funded obligation	38.34	32.47
Fair value of plan assets	(37.76)	(31.14)
Surplus of funded plan	**0.58**	**1.33**

III Significant assumptions

The principal actuarial assumptions were as follows :

	March 31, 2025	March 31, 2024
Discount rate	6.8%	7.2%
Salary growth rate	7.0%	7.0%
Normal retirement age	60.00	60.00
Mortality table	IALM(2012-14) ult	IALM(2012-14) ult
Employee turnover	5%	5%

IV Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

Assumption	As at March 31, 2025		As at March 31, 2024	
	Impact of 1% increase	Impact of 1% decrease	Impact of 1% increase	Impact of 1% decrease
Discount rate	26.92	31.34	30.36	34.94
Future salary increase	31.07	27.12	34.66	30.56
Attrition rate	28.92	28.99	32.51	32.44

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit

obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

20 Other liabilities

(a) Other Current Liabilities

Contract liabilities

	As at March 31, 2025	As at March 31, 2024
Contract liabilities		
Customer advances	4.34	-
Advance lease rentals		
Statutory dues and other liabilities**	3.93	19.97
Total	**8.27**	**19.97**

21 Revenue From Operations

Accounting policy

Revenue from Contracts with Customers

"Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primary obligor in all the revenue arrangements as it has pricing latitude and is also exposed to inventory and credit risks. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Group. Hence, it is excluded from revenue.

The Company has following streams of revenue:

- **Revenue from Sale of goods**

The Company recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

- **Revenue from Sale of services**

Revenue in respect of operation and maintenance contract, awarded on a standalone basis or included in long term contracts and identified as a separate performance obligation, is recognized on a time proportion basis under the contracts.

(a) Revenue From Contract With Customers

	Year ended March 31, 2025	Year ended March 31, 2024
Revenue from projects and products	2,864.77	3,716.36
Revenue from services		
Total revenue from contracts with customers (a)	**2,864.77**	**3,716.36**

(b) Disclosure Pusuant To Ind As 115: Revenue From Contract Wih Customers

i) By category of contracts

	Year ended March 31, 2025	Year ended March 31, 2024
Over a period of time basis	-	-
At a point-in-time basis	2,864.77	3,716.36
Total revenue from contracts with customers	**2,864.77**	**3,716.36**

ii) Contract balances

The following table provides information about contract balances from contracts with customers as at the reporting date:

	As at March 31, 2025	As at March 31, 2024
Trade receivables (note 7)	1,015.44	1,228.47
Customer advances (Contract liability)	4.34	1.46

22 Other income

Accounting policy

i) Interest Income

For all debt instruments measured at amortized cost, interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in finance income in the Consolidated Statement of profit and loss.

	Year ended March 31, 2025	Year ended March 31, 2024
Interest income from financial assets at amortised cost		
Bank deposits	9.13	6.29
Other interest income		
Net Gain/(loss) on sale of investment	0.82	-
Gain on Sale of Mutual Fund measured at fair value through profit or loss	1.21	-
Net Gain/(loss) on disposal of property, plant & equipment	0.21	-
Interest and other misc income	18.94	
Fair value gain on financial instruments at fair value through profit and loss (net)	-	4.44
Miscellaneous income	4.00	7.40
Total	**34.32**	**18.13**

23 Cost of raw material and components consumed

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year	119.53	142.26
Add: Purchases	1,787.58	2,330.10
	1,907.11	**2,472.36**
Inventories at the end of the year	(84.14)	(119.53)
Total	**1,822.97**	**2,352.83**

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

24 Decrease/(Increase) In Inventories Of Finished Goods, Work-In-Progress And Traded Goods

	Year ended March 31, 2025	Year ended March 31, 2024
Inventories at the beginning of the year		
Work-in-progress		
Finished goods	-	
Traded goods	-	
	-	-
Less: inventories at the end of the year		
Work-in-progress		
Finished goods	20.87	
Traded goods	1.72	
	22.59	-
Total	**(22.59)**	-

25 Employee Benefit Expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Salaries and wages	321.44	409.95
Contribution to provident and other funds	6.54	7.02
Director sitting fees		
Gratuity expense (note 19)	1.62	3.78
Share based payment expenses		
Staff welfare expenses	0.68	4.60
	330.29	**425.35**
Less: capitalised during the year (note 4(f))	-	
Total	**330.29**	**425.35**

26 Finance cost

Accounting policy

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

	Year ended March 31, 2025	Year ended March 31, 2024
Interest on car loan	0.02	0.63
Other interest	14.26	-
Finance cost on redemption liability		
	14.28	**0.63**
Less: capitalised during the year (note 4(f))		
Total	**14.28**	**0.63**

* Interest on car loan & MSME Interest

27. Other expenses

	Year ended March 31, 2025	Year ended March 31, 2024
Consumption of stores and spare parts	4.20	8.30
Power and fuel	5.61	5.25
Excise duty on increase in inventory		
Freight and forwarding charges (net of recovery)	105.38	170.97
Site expenses and contract labour charges	-	0.17
Drawing, design and technical service charges		
Sales commission	51.34	80.10
Advertisement and sales promotion	6.76	12.60
Rent	14.30	6.00
Rates and taxes	34.76	13.54
Insurance	1.06	0.99
Repairs and maintenance:		
Plant and machinery	9.65	14.53
Buildings		
Others	2.00	2.55
Travelling and conveyance	22.41	26.29
Legal and professional fees	63.10	19.64
Bad debts/ advances written off		
Provision for advance (net)		
Provision for impairment allowance of financial assets (net)	(9.21)	13.48
Warranty expenses (net)		
(Gain)/loss on sale/discard of assets (net)	0.02	-
CSR expenditure	8.34	-
Miscellaneous expenses (includes printing, communication, security expense, etc.)	19.47	15.88
Total	**339.19**	**390.30**

28 Earnings per share

Accounting policy

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Parent by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares (which includes the various stock options granted to employees).

The following table reflects the income and earnings per share data used in the basic and diluted EPS computation:

	March 31, 2025	March 31, 2024
Profit after tax attributable to the equity holders (a)	268.98	380.03
Weighted average number of shares considered for calculating basic EPS (b)	15,21,000	15,21,000
Weighted average number of shares considered for calculating diluted EPS (c)	15,21,000	15,21,000
Nominal valur per share (Rs.)	10.00	10.00
Basic earnings per share (d) = (a)/(b)	17.68	24.99
Diluted earnings per share (e) = (a)/(c)	17.68	24.99

BUILDTECH PRODUCTS INDIA PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

29. Components of Other Comprehensive Income (OCI)

The disaggregation of changes to OCI by each type of reserve and surplus in equity is shown below:

For the year ended March 31, 2025	Cash flow hedge reserve	Retained Earnings	Total
Foreign currency translation differences	-	-	-
Interest rate swap	-	-	-
Foreign exchange forward contracts	-	-	-
Reclassified to statement of profit or loss (Net)	-	-	-
Re-measurement gains on defined benefit plans	-	(0.39)	(0.39)
Total	**-**	**(0.39)**	**(0.39)**

For the year ended March 31, 2024	Cash flow hedge reserve	Retained Earnings	Total
Foreign currency translation differences	-	-	-
Interest rate swap	-	-	-
Foreign exchange forward contracts	-	-	-
Reclassified to statement of profit or loss (Net)	-	-	-
Re-measurement gains on defined benefit plans	-	(0.65)	(0.65)
Total	**-**	**(0.65)**	**(0.65)**

30 Contingent Liabilities and Commitments

A Contingent liabilities

(a) Accounting policy

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

(b) Judgements

Contingencies relating to tax and legal matters

The Company has received various orders and notices from tax authorities in respect of direct taxes and indirect taxes. The outcome of these matters may have a material effect on the financial position, results of operations or cash flows. Management regularly analyzes current information about these matters and provides provisions for probable losses including the estimate of legal expense to resolve such matters. In making the decision regarding the need for loss provisions, management considers the degree of probability of an unfavorable outcome and the ability to make a sufficiently reliable estimate of the amount of loss. The filing of a suit or formal assertion of a claim against the Company or the disclosure of any such suit or assertions, does not automatically indicate that a provision of a loss may be appropriate.

a) Details of Contingent liabilities

Contingent liabilities provided for as on 31 March 2025 is Nil (Nil as on 31 March 2024)

b) Guarantees

Aggregate amount of Bank Guarantees other than the Performance Guarantees outstanding as on 31 March 2025 is Nil (Nil as on 31st March 2024)

c) There are certain law suits, disputes, warranty claims, etc., including commercial matters that arise from time to time in the ordinary course of business, the amounts involved in such matters are currently not quantifiable. However, based on managements assessment under Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets" , that claims are not tenable/probability of final outcome against the Company is low and therefore not disclosed as contingent liabilities.

B Capital and other commitments

(i) Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of advances) as on 31 March 2025 is ₹ 80.98 lacs (Nil as on 31 March 2024)

30. Analytical ratios

Ratios	Numerator	Denominator	Description	As at 31 March 2025	As at 31 March 2024	% of variance	Remarks
Current Ratio	Current Assets	Current Liability	The current ratio indicates Company's overall liquidity position	1.72	2.18	-21%	The current ratio has improved by 21% as compared to the previous period. Indicating improved liquidity position of the company. This reduction majorly due to reduction of debtor by ₹ 200 Lacs & Increase in other liabilities by ₹ 75 Lacs.
Return on Equity Ratio	Net profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	It measures the profitability of equity funds invested in the Company	14%	23%	-41%	Return on Equity (ROE) has decreased by 41% compared to the previous period, indicating a decline in profitability relative to shareholders' equity. This is due to reduced revenue by 22%, and indirect cost increase. Major cost in- creased in rates and taxes , Profesional charges etc.
Inventory turnover ratio	Cost of Goods sold	Average Inventory	This ratio measures the efficiency with which a Company utilizes or manages its inventory	15.91	17.97	-11%	The Inventory Turnover Ratio has decreased by 11% compared to the previous period, indicating slower movement of inventory. This is mainly reduction of sales.
Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivables	This ratio measures the efficiency at which the Company is managing the receivables	2.55	3.32	-23%	The Trade Receivables Turnover Ratio has declined by 23% compared to the previous period, indicating a slower collection of receivables. Measures are being taken to speed up the collection of old receivables.

Notes to financial statements for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Ratios	Numerator	Denominator	Description	As at 31 March 2025	As at 31 March 2024	% of variance	Remarks
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	This ratio indicates the number of times sundry creditors have been paid during a period	2.77	3.30	-16%	"The Trade Payables Turnover Ratio has decreased by 16% compared to the previous period, indicating that the company is taking longer to settle its obligations with suppliers. Management has already taken action for smooth payment process by impelenting SAP ERP.
Net capital turnover ratio	Net Sales	Working Capital	This ratio indicates a company's effectiveness in using its working capital	5.69	4.50	26%	The Net Capital Turnover Ratio has improved by 26% compared to the previous period this is majorly improved working capital position.
Net Profit Ratio	Net Profit	Total Sales	This ratio measures the relationship between net profit and sales of the business	9%	10%	-9%	"The Net Profit Ratio has decreased as compared to the previous period. This is due to reduced turnover and increased in indirect costs.
Return on Capital employed	Earning before Interest & Tax (PBIT)	Capital Employed	Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders	20%	30%	-35%	"The Return on Capital Employed (ROCE) has decreased by 35% compared to the previous period. This is majorly due to reduction on sale & EBIT levels. Also improved position on capital employed.

32A Related party disclosures.

A Names of related parties and related party relationship:

Related parties where control exists.

I Ultimate Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	RDA Holdings Private Limited	India

II Holding Company

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Limited	India

B Related parties with whom transactions have taken place during the year :

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Thermax Limited	India
2	Mr. S. L. Kothari	India
3	Mr. Sanjiv Kapoor	India
4	Mrs Prapti Kothari	India
5	Mrs Padmaja Kothari	India
6	Mrs Sonia Kapoor	India
7	Mr.Dinesh Mandhana	India
8	Mr.Swapnil Dhumane	India
9	Mr.Sandeep Deshpande	India

C Key Management Personnel:

1 Mr. S. L. Kothari - Director (Upto 17th Dec 2024)

2 Mr. Sanjiv Kapoor Director (Upto 17th Dec 2024)

3 Mrs Prapti Kothari Director (Upto 17th Dec 2024)

4 Mr.Dinesh Mandhana Director (w.e.f 18th Dec 2024)

5 Mr.Swapnil Dhumane Director (w.e.f 18th Dec 2024)

6 Mr.Sandeep Deshpande Director (w.e.f 18th Dec 2024)

Notes to financial statements for the year ended March 31, 2025
(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

32B Transactions with related parties:

	Holding Company		Key Management Personnel		Total	
	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024	March 31, 2025	March 31, 2024
a. Transactions during the year						
Revenue from contracts with customers	73.82				73.82	-
Corporate cost allocation					-	-
Reimbursement of expenses	55.06				55.06	-
Salaries,wages and bonus			165.60	247.00	165.60	247.00
Donation					-	-
Purchase of property, plant and equipment					-	-
Rent paid			4.95	6.00	4.95	6.00
Purchase of Trademark			5.21		5.21	-
Loan taken from Holding Company					-	-
b. Balances as at reporting date						
Purchase of property, plant and equipment					-	-
Account Receivable	41.99	-			41.99	-
Account Paybale	55.06	-			55.06	-
Loan payable to Holding Company					-	-

33 Other Statutory Information

Below disclosures are not given since there are no such transactions

(a) The Company does not have any Benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

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

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

(d) The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

(e) There is no Scheme of Arrangement approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

(f) 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:

(i) 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

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

(g) 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 Company shall:

(i) 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

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

(h) The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

(i) The Company has not been declared willful defaulter by any bank or financial Institution or other lender.

(j) There is no transactions and balances with struk off companies for year ended March 31, 2025

(k) During the current financial year, certain figures presented in the previously issued financial statements have been reinstated to correct errors identified and/or to reflect changes in accounting policies in accordance with applicable financial reporting standards. The comparative figures for the prior period have been restated accordingly to ensure consistency and comparability.

(l) The Company has used accounting software for maintaining its books of account, which did not have a feature recording audit trail (edit log) facility. Company is updating its accounting software in subsequent period to enable the requirement of audit trail (edit log).

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Reg No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: May 07, 2025

For and on behalf of the Board of Directors of
Buildtech Products India Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Place: Pune
Date: May 07, 2025

THERMAX CHEMICAL SOLUTIONS PRIVATE LIMITED

Board of Directors
Mr. Dinesh Mandhana
Mr. Swapnil Dhumane
Mr. Sandeep Deshpande
(w.e.f. May 30, 2024)

Registered Office
S No. 14/D, F P No. 32/33, Wakdewadi
Mumbai Pune Road, Khadki, Pune, Pune City,
Maharashtra, India, 411003

Corporate Office
Thermax House, 14
Mumbai-Pune Road,
Wakdewadi, Pune -411003

Auditors
B K Khare & Co
Chartered Accountants
706/708, Sharda Chambers, New Marine Lines,
Mumbai – 400 020, India

Bankers
ICICI Bank Limited

DIRECTORS' REPORT

Dear Shareholders,

The Directors present the First Annual Report of the Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	As on 31/03/2025*
Total income	-
Profit / (loss) before depreciation and interest	**(12.47)**
Depreciation	-
Interest	-
Profit / (loss) before tax	**(12.47)**
Provision for taxation (incl. deferred tax)	-
Profit / (loss) after tax	**(12.47)**

**Since this is the first year of the Company, there are no corresponding previous year's figures*

STATE OF COMPANY'S AFFAIRS

The Company commenced commercial operations on June 13, 2024. During the period, the company has incurred a loss of Rs. 12.47 lakhs.

MATERIAL CHANGES AFFECTNG FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the year till the date of this Report, which affects the financial position of the Company.

SUBSIDIARIES

During the period under review, the Company entered into Shareholders Agreement with Vebro Polymers Holdings Limited, Manchester, England ("Vebro") on July 10, 2024. Pursuant to said agreement, Thermax Vebro Polymers India Private Limited (TVPIPL) was incorporated as a wholly owned subsidiary of the Company on July 18, 2024. On March 3, 2025, pursuant to the allotment of shares to Vebro, TVPIPL ceased to be a wholly owned subsidiary of the Company.

The Company entered into a Share Subscription and Shareholders Agreement with Oswaldo Cruz Química Indústria e Comércio Ltda., Brazil (OCQ) on March 10, 2025. Pursuant to said agreement, Fortmax Chemicals India Private Limited was incorporated on April 11, 2025, as a wholly owned subsidiary of the Company.

CHANGE IN NATURE OF BUSINESS

There is no change in the nature of business during the year under review

HEALTH AND SAFETY

The Company will ensure focused and continuous improvement on its Safety and Health standards.

DIVIDEND

In view of loss incurred by the Company, the Directors does not recommend any dividend for the financial year 2024-25.

AMOUNT PROPOSED TO BE CARRIED TO RESERVES

The Company does not propose carrying any amount to reserves.

SHARE CAPITAL

The Company was incorporated with an authorised share capital of Rs. 12 crores and a paid-up share capital of Rs. 9.90 crores. Pursuant to a resolution passed by the Members at the Extra-Ordinary General Meeting held on March 17, 2025, the authorised share capital was increased to Rs. 25 crores. During the year, Thermax Limited, the holding company, infused additional equity capital of Rs. 5 crores, thereby increasing the paid-up share capital to Rs. 14.90 crores.

During the year under review, the Company has not issued shares with differential voting rights nor has it granted any stock options or sweat equity.

PUBLIC DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The details of loans, guarantees and investments covered under the provisions of Section 186 of the Companies Act, 2013, are given in the notes to the financial statements.

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan to persons in the employment of the Company including its directors or key managerial personnel, in order to purchase or subscribe shares of the Company.

ANNUAL RETURN

The Company does not have a website and hence in terms of provisions of Section 92 of the Companies Act, 2013 the requirement of publishing Annual Return is not applicable.

BUSINESS RISK MANAGEMENT

The company has identified and classified its key risks pertaining to the core business and has a broad framework in place for effective risk identification, review and mitigation. The company will continue to actively monitor and strengthen its risk management framework. The company has implemented Legatrix software to track & ensure timely statutory compliances.

THERMAX CHEMICAL SOLUTIONS PRIVATE LIMITED

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls and those are operating effectively. Internal Audit is not applicable for the company as per section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall under the criteria defined under Section 135 of Companies Act, 2013 as on March 31, 2023. Hence, the Corporate Social Responsibility provisions are not attracted.

KEY MANAGERIAL PERSONNEL (KMP)

Pursuant to provisions of the Companies Act, 2013, the Company is required to appoint Key Managerial Personnel (KMP). In view of the aforesaid provisions, the Company has initiated the process for appointments of KMPs and will ensure necessary compliance within prescribed timelines.

DIRECTORS

Currently, the Board of the company comprises three Directors. In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Mr. Dinesh Mandhana (DIN: 10646110) and Mr. Swapnil Dhumane (DIN: 10646109) retire by rotation, and being eligible, offers themselves for re-appointment as director.

Mr. Dinesh Satyanarayanji Mandhana (DIN: 10646110) and Mr. Swapnil Vitthal Dhumane (DIN: 10646109) are appointed as the first directors of the Company. During the year, the Board of Directors at the Meeting held on May 30, 2024, appointed Mr. Sandeep Deshpande (DIN: 09748806) as an Additional Director of your Company, subject to the approval of the shareholders The members of the Company at their first Extra-Ordinary General Meeting held on August 28, 2024 approved the appointment of Mr. Sandeep Deshpande (DIN: 09748806), as Director of the Company, liable to retire by rotation.

BOARD MEETINGS

The Board met seven times during the year. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Details of meetings attended by the members are as follows:

Name	Board Meetings						
	May 30, 2024	June 25, 2024	July 15, 2024	August 26, 2024	November 07, 2024	January 29, 2025	March 13, 2025
Mr. Dinesh Satyanarayanji Mandhana	P	A	A	A	P	P	A
Mr. Swapnil Vitthal Dhumane	P	P	P	P	P	A	P
Mr. Sandeep Prabhakar Deshpande*	NA	P	P	P	P	P	P

*Mr. Sandeep Deshpande was appointed as Director on May 30, 2024.

SECRETARIAL STANDARDS

The Company follows the Secretarial Standards issued by the Institute of Company Secretaries of India on the Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2). The Company is in compliance with these secretarial standards.

AUDITORS

M/s. B.K. Khare and Co., Chartered Accountants (Firm Registration No. 105102W), were appointed as the first Statutory Auditors of the Company by the Board of Directors at their meeting held on June 25, 2024, to hold office until the conclusion of the Company's first Annual General Meeting.

The Board of Directors at its meeting held on April 22, 2025 has recommended the appointment of M/s. B.K. Khare and Co., Chartered Accountants (Firm Registration No. 105102W) as the Statutory Auditors of your Company for a term of five years from the conclusion of First Annual General Meeting until the conclusion of the Sixth Annual General Meeting for the approval of the shareholders at the ensuing First Annual General Meeting of the Company.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

RELATED PARTY TRANSACTIONS

All related party transactions (RPTs) that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant transactions entered into by the Company with the related parties which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

CONSERVATION OF ENERGY

The Company participates in activities related to conservation of energy undertaken by parent company.

TECHNOLOGICAL ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

There are no foreign exchange transactions during the year under review.

PARTICULARS OF EMPLOYEES

None of the employees are covered by the provisions contained in Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 framed under the Companies Act, 2013.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

RESTRICTION ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company other than its Directors or Key Managerial Personnel, for purchase or subscribe shares of the Company.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016.

During the year there is no instance of one-time settlement with any Bank or Financial Institution, during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(3)(c) of the Companies Act, 2013, the directors of your Company, to the best of their knowledge and belief and according to the information and explanations obtained by them in the normal course of their work, state that, in all material respects:

a) In the preparation of the annual financial statements for the year ended March 31, 2025, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

b) Appropriate accounting policies have been selected, applied consistently and judgment and estimates have been made that are reasonable and prudent to give a true and fair view of the state of affairs of the Company as on March 31, 2025, and of the profit of the Company for the year ended on that date;

c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) The annual financial statements have been prepared on a going concern basis;

e) Proper internal financial controls were in place and the financial controls were adequate and operating effectively;

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of
Thermax Chemical Solutions Private Limited

	Dinesh Mandhana	**Swapnil Dhumane**
Place: Pune,	Director	Director
Pune: April 22, 2025	DIN: 10646110	DIN: 10646109

THERMAX CHEMICAL SOLUTIONS PRIVATE LIMITED

INDEPENDENT AUDITOR'S REPORT

To the members of Thermax Chemical Solutions Private Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of Thermax Chemical Solutions Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the period then ended, and 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, 2025, its losses and total comprehensive income, its changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs)specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Financial Statements and our Auditors' 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 for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) Based on the records examined by us and according to information and explanations given to us, the Company has not paid/provided for managerial remuneration, to it's directors during the year/ period. Hence, the provisions of Section 197 of the Act related to managerial remuneration are not applicable.

   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 does not have any pending litigations which would impact its financial position in its 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

      iv. (a) The management has represented that, to the best of its knowledge and belief, 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 that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement.

      (v) The Company has not declared/paid/declared and paid any dividend during the year; and

      (vi) Based on our examination which included test checks, the Company has not used any accounting software for maintaining its books of accounts, which has a feature of recording audit trail (edit log) facility.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

per **Amit Mahadik**
Partner
Membership No. 125657
UDIN: 25125657BMLXRY6999

Place : Pune
Date: April 22, 2025

THERMAX CHEMICAL SOLUTIONS PRIVATE LIMITED

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

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

We have audited the internal financial controls with reference to Financial Statements of **Thermax Chemical Solutions Private Limited** ("the Company") as of March 31, 2025, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

per **Amit Mahadik**
Partner
Membership No. 125657
UDIN: 25125657BMLXRY6999

Place : Pune
Date: April 22, 2025

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

(i) (a) (b) According to the information and explanations given to us, the Company does not have any Property, Plant and Equipments and Intangible assets hence reporting under clause 3((i)(a) and (b) is not applicable to the Company.

(c) According to the information and explanations given to us, the Company does not have any immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favor of the lessee). Hence reporting under clause 3((i)(c) is not applicable to the Company.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence reporting under clause 3((i)(d) is not applicable to the Company.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, 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) (ii) (a) The Company does not hold any inventory. Thus, the reporting under Clause 3(ii) (a) of the order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not 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 at any point of time during the year.

(iii) According to the information and explanations given to us, the Company has not provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) and 3(iii)(c) to 3(iii)(f) of the Order is not applicable to the Company. According to the information and explanations given to us, the investment made by the Company during the year in its subsidiary is not prejudicial to the company's interest.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, the reporting under Clause 3(vi) of the Order is not applicable to the Company.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income Tax and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of 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 other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Goods and Services Tax, Service Tax, Provident Fund, Employees State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess as at 31 March 2025, which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) Though establishment of vigil mechanism is not mandated for the Company by the Act, or by Securities Exchange Board of

India (Listing Obligations and Disclosure Requirement) ("SEBI LODR") Regulations, we have taken into consideration the whistle blower complaints received by the Company during the year while determining the nature, timing and extent of our audit procedures.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 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 and based on our examination, internal audit system is not applicable to the Company. Hence reporting under clause 3(xiv) is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company and subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi)(a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

(xviii) There has been no resignation of the statutory auditors during the year. Accordingly, the reporting under Clause 3(xviii) of the Order is not applicable to the Company.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to 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) The provisions of Section 135 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xx)(a) and (b) of the Order is not applicable to the Company.

For B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

per **Amit Mahadik**
Partner
Membership No. 125657
UDIN: 25125657BMLXRY6999

Place : Pune
Date: April 22, 2025

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025
ASSETS		
I. Non-current assets		
Non-current financial assets		
(a) Investments In Subsidiary	2	810.73
		810.73
II. Current assets		
Current financial assets		
Cash and cash equivalent	3	653.63
Other current assets	4	0.32
		653.95
Total Assets		**1,464.68**
EQUITY AND LIABILITIES		
EQUITY		
Equity share capital	5	1,490.00
Other equity	6	(26.82)
Total Equity		**1,463.18**
II. Current liabilities		
Other liabilities	7	1.50
		1.50
Total Equity and Liabilities		**1,464.68**

Statement of profit and loss for the year ended March 31, 2025

(All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Particulars	Note No	Period ended March 31, 2025
Income		
Revenue from operations	8	-
Other income	9	1.70
Total Income (I)		**1.70**
Expenses		
Other Expenses	10	14.17
Total expenses (II)		**14.17**
Profit before tax (IV)		**(12.47)**
Other comprehensive income		
Net other comprehensive income to be reclassified to profit or loss in subsequent periods (A)		**-**
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods (B)		**-**
Total other comprehensive income for the year, net of tax [A+B]		**-**
Total comprehensive income for the year, net of tax		**(12.47)**
Total other comprehensive income for the period (net of tax) (VI)		**-**
Earnings Per Share		
- Basic EPS		**(0.08)**
- Diluted EPS		**(0.08)**

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Registration No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: April, 22 2025

For and on behalf of the Board of Directors of Thermax Chemical Solutions Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Place: Pune
Date: April, 22 2025

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Place: Pune
Date: April, 22 2025

THERMAX CHEMICAL SOLUTIONS PRIVATE LIMITED

Statement of Changes in Equity for the year ended March 31, 2025

((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

Other Equity^

Particulars	Reserves & Surplus		
	Retained Earnings	Profit and Loss Account	Total
As at April 1, 2024	**-**	**-**	**-**
Other Comprehensive Income	-	-	-
Total comprehensive income	-	-	-
As at March 31, 2024	**-**	**-**	**-**
Profit for the year		(12.47)	(12.47)
Transaction cost for issued share capital	(14.35)	-	(14.35)
Total comprehensive income	(14.35)	(12.47)	(26.82)
As at March 31, 2025	**(14.35)**	**(12.47)**	**(26.82)**

Cash flow statement for the year ended March 31, 2025

(All amounts are in Rupees Lakhs , except stated otherwise)

Particulars	March 31, 2025
Cash flows from operating activities	
Profit before taxation	(12.47)
Add : Non cash item (Incorporation Exps)	(14.35)
	(26.82)
Changes in working capital:	-
Changes in other Current Assets	(0.32)
Changes in trade payables	-
Changes in other liabilities	1.50
Net cash flow generated from operating activities	**(25.64)**
Cash flow from financing activities	
Equity amount received	1,490.00
Net cash flow generated from Financing activities	**1,490.00**
Cash flow used in investing activities	
Investment made in subsidiaries	**(810.73)**
Net cash flow generated from Investing activities	**(810.73)**
Net increase in cash and cash equivalents	653.63
Cash and cash equivalents at the beginning of the year	-
Cash and cash equivalents at the end of the year	**653.63**
Cash and cash equivalents as on 31st March 25	**653.63**

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Registration No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: April, 22 2025

For and on behalf of the Board of Directors of
Thermax Chemical Solutions Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Place: Pune
Date: April, 22 2025

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Place: Pune
Date: April, 22 2025

Notes to financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

1. Corporate information

Thermax Chemical Solutions Private Limited ('the Company') is a private limited Company incorporated and domiciled in India. The address of the registered office is S No. 14/D, F P No. 32/33, Wakdewadi

The Board of Directors have authorized to issue these financial statements on 22nd April 2025. The CIN of the Company is U20299PN2024PTC231369. This is first year of presentation of financial statement and comparative figures for previous year have not been submitted. Profit and Loss account pertains to period from 28th May 2024 to 31st March 25.

2 Material accounting policies

2.1 Basis of preparation, measurement

a. Basis of preparation

These financials statements are prepared in accordance with Indian Accounting Standards (IND AS) under the historical cost convention on the accrual basis, except for certain financial instruments which are measured at fair values, the provisions of the Companies Act,2013 ('the Act') (to the extent notified) and the guidelines issued by the securities and exchange board of India (SEBI).The IND AS are prescribed under Section 133 of the Act read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, Companies (Indian Accounting Standards) Amendment Rules,2016 and 2017.

The preparation of the financial statements requires the use of certain critical accounting estimates and judgements. It also requires the management to exercise judgement in the process of applying the Company's accounting policies.

b. Basis of measurement

The financial statements have been prepared on under historical cost convention.

The financial statements are presented in Indian Rupees (INR) and all values are in Rupee.

2.2 Summary of significant accounting policies

a. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is

- Expected to be realised or intended to be sold or consumed in the normal operating cycle
- Expected to be realised within twelve months after the reporting period, or
- 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 expected to be settled in the normal operating cycle
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Financial instruments

Financial assets

Initial Recognition and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through Profit and Loss, transactions costs that are attributable to the acquisition of the financial asset. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognized on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

c. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

d. Earnings per Share (EPS)

The Company presents the basic and diluted EPS data for its equity shares. Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

e. Revenue from Sale of Goods

The Company recognizes revenue at a point-in-time. The point-in-time is determined when the control of the goods or services is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time where control has been transferred.

f. Interest Income

Interest income is recognised when it is probable that economic benefits will flow to the company and the amount of revenue can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and the effective interest rate applicable.

g. Income tax

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognized for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized.

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. Unrecognized deferred tax assets are re-assessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

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

Deferred tax relating to items recognized outside profit or loss is recognized outside profit or loss (either in OCI or in equity). Deferred tax items are recognized in correlation to the underlying transaction either in OCI 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.

h. Property, Plant and Equipment

Property, plant and equipment (PPE) is stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight-line basis using the rates arrived at based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

3. Significant accounting judgments, 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 revenue, expenses, assets and liabilities, and the accompanying disclosures and the disclosure of contingent liabilities as at the reporting date. However, uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

2. Investment in Subsidiary

	As at March 31, 2025
Non Current Financial Assets	-
Investment in Subsidiary	810.73
Total	

3. Cash and bank balances

	As at March 31, 2025
At amortized cost	
Cash and cash equivalents	
Balances with banks	
- on current accounts	501.93
- on unpaid dividend account	
- on deposits with original maturity of less than three months	
- on deposits with original maturity of greater than three months and less than 12 months	150.00
- Interest Accrued on the Fixed Deposit Place in Banks	1.70
Cash on hand	
Total	**653.63**

4. Other current assets

	As at March 31, 2025
Unsecured considered good	
Advance to supplier	
Advances to Staff and Workers	
Advance to group companies	0.00
Export incentives receivable	
Prepaid Expenses	
Balances with government authorities	0.32
Prepaid employee benefits	
Others	
Total	**0.32**

Notes to financial statements for the year ended March 31, 2025

((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

5 Share capital

	March 31, 2025
Authorized shares (Nos)	
2,50,00,000 (Previous year Nil) equity shares of Rs. 10/- each.	2,500
	2,500
Issued, subscribed and fully paid share capital (Nos)	
1,49,00,000 (Previous year Nil) equity shares of Rs. 10/- each.	1,490
Total issued, subscribed and fully paid-up share capital	**1,490**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the period

	Amount
Equity share of Rs. 10/- issued, subscribed and fully paid	
At March 31, 2024	**-**
Changes during the year -	
Issued and subscribedshare capital during the year (FY 24-25)	1,490
At March 31, 2025	1,490

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a face value of

Rs. 10 per share. Each shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by ultimate holding / holding company

	March 31, 2025	March 31, 2025
Holding Company		
Thermax Limited equity shares of 10/- each fully paid	1,490	-
	1,490	-

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2025	As at March 31, 2025
Holding Company		
Thermax Limited equity shares of 10/- each fully paid		
%	100	-
No of Shares	1,490	-

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

6. Other Equity

	March 31, 2025
Prefrence Share Capital	
Share application money	
Retained Earnings	(14.35)
Surplus in Statement of profit and loss	
Balance as per last financial statement	-
Add: Profit for the year	(12.47)
Add: Adjustment on Account of IND AS	
Add: March 16 IND AS Profit	
	(12.47)
Less: Appropriations	
- Proposed equity dividend	
- Tax on dividend	
Total appropriations	-
Net surplus in the Statement of profit and loss	**(12.47)**
Total Other Equity	**(26.82)**

7. Other short term liabilities

	March 31, 2025
Unearned revenue	
Revenue received in advance	
Statutory dues and other liabilities	0.00
Provision for expenses	1.50
Total	**1.50**

8. Revenue from operations (net)

	Period ended March 31, 2025
Sale of products and services	
Sale of products	
Sale of services	
Total	**-**

9. Other income

	Period ended March 31, 2025
Interest income	1.70
Others	
Total	**1.70**

10. Other expenses

	Period ended March 31, 2025
Rates and taxes	12.51
Legal and professional fees	0.13
Payment to auditor (refer details below)	1.50
Miscellaneous expenses (includes printing, communication, postage, security expense, Bank Charges etc.)	0.04
	14.17
Less: capitalised during the year	
Total	**14.17**

THERMAX CHEMICAL SOLUTIONS PRIVATE LIMITED

Notes to financial statements for the year ended March 31, 2025

((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

11 Fair value measurements

a) Category of financial instruments and valuation techniques

Break-up of financial assets carried at amortised cost

	March 31, 2025
Investment in Subsidiary	810.73
Cash and cash equivalents	653.63
Total	**1,464.36**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Break-up of financial assets carried at fair value through profit and loss

12 Financial risk management

The main purpose of these financial liabilities is to finance the Company's operations. The Company's principal financial assets include Investments, cash and cash equivalents that it derives directly from its operations.

The Company is exposed to Market risk, Credit risk and liquidity risk. The company follows guidance given by the Corporate Risk

Management Policy of the group. The risks are summarized below:

I 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 two types of risk: interest rate risk and other price risk, such as equity price risk.

Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk.

I 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 Cash and Bank Deposits) and from its financing activities, including deposits with banks and financial institutions, foreign exchange transactions and other financial instruments.

Financial instruments and bank deposits

Credit risk from balances with banks and financial institutions is managed by the group treasury department in accordance with the Thermax group policy. Investments of surplus funds are made only with approved counterparties and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

II Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses, company maintains flexibility in funding by maintaining availability under committed credit lines.

Management monitors rolling forecasts of the company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows. This is generally carried out at operating segments level in the Company in accordance with practice and limits set by the Company. In addition, the company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements.

13 As the consolidated financial statements are presented by the entity's holding Company, the entity has elected to apply the exemption available to it under Ind AS 110 and has opted to present only one set of standalone financial statements.

14 (a) Compliance with section 143(3) for maintenance of books of account

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The status of compliance is summarised in the below table:

Requirements u/s 143(3) of Companies Act, 2013	Response
Books of Account maintained on cloud / servers physically located in India	Yes
Backup maintained in India on daily basis	
Intimation sent to the ROC for the current year	NA

15 Related party disclosures

Names of related parties and related party relationship:

Related parties where control exists	
Holding company	Thermax Limited, India
Ultimate holding company	RDA Holdings Private Limited, India
Subsidiary company	Thermax Vebro Polymers India Private Limited

Sr. No	Name of the Related Party & nature of relation	Nature of Transaction	Amount
1	Thermax Limited	Equity infusion from Thermax Limited	1,490.00
2	Thermax Vebro Polymers India Pvt Ltd	Equity Investment in WOS	810.73
3	Thermax Limited	Stamp duty and incorporation expenses	14.64
4	Thermax Limited (TFS Div)	Amount paid to TFS for payment of TDS	0.02
		Total	**2,315.39**

Terms and conditions of related party transactions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

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

Notes to financial statements for the year ended March 31, 2025
((All amounts are in Rupees Lakh, except per share data and unless stated otherwise)

16 Key Financial Ratios

Ratios	Numerator	Denominator	March 31, 2025	Change	Reason for Variance
Return on equity ratio	Net Profits after taxes	Average Shareholder's Equity	-1.67%	0.00%	
Net working capital turnover ratio	Net sales = Total sales - sales return	Working capital = Current assets – Current liabilities	0.00	0.00%	
Return on capital employed	Earnings before interest and taxes	Capital Employed = Net Worth	-0.84%	0.00%	
Return on investment	Interest (Finance Income)	Average Investment	0.35%	0.00%	
Current Ratio	Current Assets	Current Liabilities	434.88	0.00%	

17 The Company had entered into a Share Subscription Agreement ("SSA") and a Shareholders Agreement ("SHA") on March 10, 2025 with Oswaldo Cruz Quimica Industria E Comerico LTDA. (OCQ) to establish a private limited company wherein the percent of holding will be 51:49, the company will hold 51% and OCQ will hold 49%.

Pursuant to the SSA & SHA the company has on April 11, 2025 incorporated Fortmax Chemicals India Private Limited with paid up share capital of Rs. 4.59 Crs.

18 The Company does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

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

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

21 The Company does not have any transaction which is not recorded in the books of account that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

22 There is no Scheme of Arrangement approved by the Competent Authority in terms of Sections 230 to 237 of the Companies Act, 2013.

23 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:

(i) 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

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

24 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 Company shall:

(i) 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

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

25 The Company has complied with the the number of layers prescribed under of Section 2(87) of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

26 The Company has not been declared willful defaulter by any bank or financial Institution or other lender.

27 There is no transactions and balances with struk off companies for year ended March 31, 2025

28 Zero represents amounts less than one lakh unless stated otherwise.

For B. K. Khare & Co
Chartered Accountants
ICAI Firm Registration No.: 105102W

Amit Mahadik
Partner
Membership No. 125657

Place: Pune
Date: April, 22 2025

For and on behalf of the Board of Directors of
Thermax Chemical Solutions Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Place: Pune
Date: April, 22 2025

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Place: Pune
Date: April, 22 2025

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

Board of Directors

Apurva Amarnath Shah (w.e.f. October 21, 2004)
Rajiv Upendra Parikh (w.e.f. October 21, 2004)
Padmanabhan Balasubramaniam (w.e.f. December 17, 2024)
Lakshmanan Doraiswamy Venkateswaran
(w.e.f. October 10, 2024)
Mahesh Channakeshaviah Bukinkere (w.e.f. April 23, 2024)
Sandeep Prabhakar Deshpande (w.e.f. April 23, 2024)
Vishal Om Mehra (w.e.f. April 23, 2024)

Registered Office

Floor no.2, Plot No.24, B Block,
Dhanraj Mahal,Chhatrapati Shivaji, Maharaj Marg,
Gateway of India, Colaba, Mumbai G.P.O.,
Mumbai, Mumbai, Maharashtra, India, 400001

Key Managerial Personnel

Apurva Amarnath Shah (CEO w.e.f April 23, 2024)
Alpesh Govindji Shah (CFO w..e.f. April 23, 2024)
Rajiv Upendra Parikh (COO w.e.f April 23, 2024)

Auditors

B. K. Khare & Co.,
Chartered Accountants
706/ 708, Sharda Chambers,
New Marine Lines, Mumbai- 400 020

Bankers

CITI Bank
IDFC Bank
Kotak Mahindra Bank
TJSB Sahakari bank
Bank of India
ICICI Bank

DIRECTORS' REPORT

Dear Shareholder,

The Directors have the pleasure of presenting the Twenty First Annual Report of the Company for the year ended March 31, 2025.

FINANCIAL RESULTS

(Rs. in Lakh)

Particulars	2024-25	2024-25*	2023-24
Total income	13005.96	12922.46	12218.46
Profit before depreciation and interest	613.62	699.92	1040.13
Depreciation	93.72	87.59	121.93
Interest	161.45	157.80	135.74
Profit before tax	358.45	454.52	782.46
Provision for taxation (incl. deferred tax)	130.00	128.58	216.10
Profit after tax	228.45	325.94	566.36

**20th April 24 to 31st March 25*

STATE OF COMPANY'S AFFAIRS

During the year under review, Thermax Limited (Thermax/Holding Company) has acquired a 51% equity stake in the Company on April 20, 2024, thereby making the Company a subsidiary of Thermax. The Board believes that this development will strengthen the Company's strategic direction, governance framework and operational synergies through the support and expertise of its holding company.

During the year, the Company earned a total income of Rs 13,005.96 lakh (previous year Rs. 12218.46 lakh). Profit before tax stood at Rs. 358.45 lakh (previous year Rs.782.46 lakh) and profit after tax was Rs. 228.45 lakh (previous year Rs. 325.95 lakh). Revenue for FY 2024-25 was Rs. 13,005.96 lakh, increased by 6 % over last year.

The Company is nearing the completion and commencement of operations at Plots No. 7 and 8, where a new factory is being established adjacent to the existing facility. Partial production has started from end of February, 2025. The Occupancy Certificate was obtained in December, 2024 and Operating license for New Factory expected by first week of May, 2025. Full factory completion is anticipated by May, 2025. Additionally, product development for the Mechanical Vapour Compression (VC) system which is primarily used to reduce black steam consumption, has been completed successfully.

HEALTH AND SAFETY

The Company has prioritized providing Mediclaim and accident insurance policies for factory, sales, and site workers. Additionally, factory workers are equipped with helmets and safety shoes to ensure their safety.

MATERIAL CHANGES AFFECTING FINANCIAL POSITION OF THE COMPANY

No material changes and commitments have occurred after the close of the year till the date of this Report, which affect the financial position of the Company.

DIVIDEND

The Directors do not recommend any dividend on equity shares during year.

AMOUNT PROPOSED TO BE CARRIED TO RESERVES

The Company does not propose to carry any amount to reserves.

SHARE CAPITAL

The authorized and paid – up capital of the Company is Rs. 1,37,00,000 divided into 13,70,000 equity shares of Rs. 10 each and Rs. 1,36,80,000 divided into 13,68,000 equity shares of Rs. 10 each respectively as on March 31, 2025. No shares were issued during the year under review.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

DETAILS OF SUBSIDIARY, JOINT VENTURE OR ASSOCIATE COMPANIES

The Company does not have any subsidiary, joint venture or associate Company as on March 31, 2025.

PUBLIC DEPOSITS

The Company has not accepted any deposits under Chapter V of the Companies Act, 2013.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year under review, the Company did not give any loan or make an investment pursuant to the provisions of Section 186 of the Companies Act, 2013

BUSINESS RISK MANAGEMENT

The Company is in process of identifying and classifying its key risks pertaining to the core business and based on that the Company will prepare a broad framework for effective risk identification, review and mitigation. The Company will actively monitor and strengthen its proposed risk management framework in the future.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls in reference to financial statements. During the year under review, such controls were tested, and the reportable material weakness are being addressed for improvements to the extent possible.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

As per section 135(9) of Companies Act, 2013, a Company is exempt from having a CSR committee if its mandated CSR expenditure in a financial year does not exceed 50 lakhs. Accordingly, the CSR committee of the Company is dissolved on November 4, 2024 with the Board of Directors discharging the committee's functions.

As a part of its initiatives under Corporate Social Responsibility (CSR), the Company has undertaken projects mainly in the area of women empowerment, medical, health care and rural development. The projects are in accordance with Schedule VII of the Companies Act, 2013. The CSR initiatives have been undertaken through Thermax Foundation. The Company has contributed Rs. 20 lakhs to Thermax Foundation. The detailed report on CSR is annexed as Annexure-2

KEY MANAGERIAL PERSONNEL (KMP)

During the year Mr. Apurva Shah, Mr. Alpesh Shah and Mr. Rajiv Parikh were appointed as Chief Executive Officer (CEO), Chief Financial Officer (CFO) and Chief Operating Officer (COO) and KMPs of the Company respectively by the Board of Directors in their meeting held on April 23, 2024.

DIRECTORS

In accordance with the provisions of the Companies Act, 2013 and the Company's Articles of Association, Mr. Rajiv Upendra Parikh (DIN: 01187686), retires by rotation and being eligible, offers himself for re-appointment.

Following are the changes in the Board composition during FY 2024-25

Sr. No.	Name of Director	Appointment/ Resignation	Directorship/ Category	Effective date	Whether the change has been approved by members.
1.	Mr. Mahesh Channakeshaviah Bukinkere	Appointment	Additional Non-executive Director	April 23, 2024	Regularized in the AGM held on September 24, 2024
2.	Mr. Sandeep Deshpande	Appointment	Additional Non-executive Director	April 23, 2024	Regularized in the AGM held on September 24, 2024
3.	Mr. Vishal Mehra	Appointment	Additional Non-executive Director	April 23, 2024	Regularized in the AGM held on September 24, 2024
4.	Mr. L. Venkateswaran	Appointment	Additional Non – Executive Independent Director	October 10, 2024	Will be regularized in the AGM to be held in FY 2025-26.
5.	Mr. B Padmanabhan	Appointment	Additional Non – Executive Independent Director	December 17, 2024	Will be regularized in the AGM to be held in FY 2025-26.

POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

Nomination and Remuneration Committee has recommended Policy on Appointment and Remuneration of Directors and Key Managerial Personnel. The Board has adopted the same in the Board meeting held on January 28, 2025. Except Mr. Apurva Shah (CEO & Director) and Mr. Rajiv Parikh (COO & Director), no other Non-Executive Non-Independent Directors receives remuneration from the Company. Independent Directors receives sitting fees as approved by the Board for each Board/Committee meeting attended. A detailed policy is annexed herewith as Annexure 1.

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received declarations from the Independent Directors confirming that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and have also confirmed that their names have been added to the data bank maintained by the Indian Institute of Corporate Affairs (IICA) for Independent Directors, in accordance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014. Pursuant to the provisions of Rule 6 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, every individual whose name is so included in the data bank shall pass an online proficiency self-assessment test. Both of the Independent Directors have completed the said requirements.

INDEPENDENT DIRECTORS MEETING

During the year under review, the Independent Directors met once on January 28, 2025, where all Independent Directors were present inter alia to review the performance of the Board and non-independent Directors of the Company.

COMMITTEES OF THE BOARD

The Board has constituted the following Committees viz. Audit Committee and Nomination and Remuneration Committee.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors was constituted on December 24, 2024. The Committee comprises the non-executive Directors viz Mr. B Padmanabhan as the Chairman and Mr. L Venkateswaran & Mr. Sandeep Deshpande as the members of the Committee. The Committee met one time from its constitution on January 28, 2025 where all the members were present. Further, all the recommendations made by the Audit Committee were accepted by the Board.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination & Remuneration Committee of the Board of Directors was constituted on December 24, 2024. The Committee comprises of all non-executive Directors viz Mr. L Venkateswaran as the Chairman and Mr. B Padmanabhan & Mr. B C Mahesh as members of the Committee. The Committee met once from its constitution on January 28, 2025, where all the members were present.

BOARD MEETINGS

During the year, the Board met five times on April 23, 2024, July 24, 2024, September 23, 2024, November 4, 2024 and January 28, 2025. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013. Details of meetings attended by the members are as follow:

Name	Dates on which Board Meetings Held				
	April 23, 2024	July 24, 2024	September 23, 2024	November 4, 2024	January 28, 2025
Mr. Apurva Amarnath Shah	P	P	P	P	P
Mr. Rajiv Upendra Parikh	P	P	P	P	P
Mr. Padmanabhan Balasubramaniam	NA	NA	NA	NA	P
Mr. Lakshmanan Doraiswamy Venkateswaran	NA	NA	NA	P	P
Mr. Mahesh Channakeshaviah Bukinkere	A	P	P	P	P
Mr. Sandeep Prabhakar Deshpande	P	P	P	P	P
Mr. Vishal Om Mehra	P	P	P	P	P

NA: Not Applicable P: Present A: Absent

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(5) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

(b) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit and loss of the Company for that period;

(c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(d) The Directors have prepared the annual accounts on a going concern basis; and

(e) The Directors have devised proper systems to ensure compliance with

the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

The Company follows the Secretarial Standards issued by the Institute of Company Secretaries of India on the Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2). The Company is in compliance with these secretarial standards.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

CONSERVATION OF ENERGY

The Company is in the business of providing utilities generated through renewable energy sources to its clients. This activity directly helps its clients to reduce their Carbon Footprint.

TECHNOLOGICAL ABSORPTION

There was no technology acquisition and absorption during the year under review.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo, under Section 134(3)(m) of the Companies Act, 2013 is as follows:

	(Rs. in lakhs)
Foreign exchange earnings	1220.47
Foreign exchange outgo	446.46

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, duly amended, in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Annual Report excluding the aforesaid information is being sent to all the members and others entitled to receive it. Any shareholder interested in obtaining such particulars may write to the Chief Executive Officer. The information is also available for inspection at the Registered office during working hours up to the date of the Annual General Meeting.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. The Company has constituted Prevention of Sexual Harassment (POSH) Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

There were no cases pending at the beginning of the year/ filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

STATUTORY AUDITORS

M/s. B K Khare & Co, Chartered Accountants, Mumbai (FRN: 105102W) were appointed as statutory auditor in the 20th AGM held on September 24, 2024 to fill the casual vacancy caused due to resignation of Vishnu K Sharma And Co., Chartered Accountants (Firm Registration No.139038W). M/s. B K Khare & Co was appointed till the conclusion of AGM to be held in 2025. He shall be reappointed in the upcoming AGM if the members of the Company approve the same till the conclusion of subsequent sixth AGM.

The Auditor's Report does not contain any qualifications, reservations, adverse remarks or disclaimer.

COST AUDITORS

In terms of Section 148 of the Companies Act, 2013, read with the Companies (Cost Records and Audit) Amendment Rules, 2014, M/s. Santiram Chattopadhyay & Associates, Cost Accountants, Mumbai, have been appointed as the cost auditors of the Company for FY 2025-26.

COST RECORDS

The maintenance of cost records as specified under Section 148 of the Act, is applicable to the Company and accordingly all the cost records are made and maintained by the Company and audited by the cost auditors.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12)

During the year under review, there were no frauds reported by the auditors to the Board under section 143(12) of the Act.

RESTRICTION ON PURCHASE BY COMPANY OR GIVING OF LOANS BY IT FOR PURCHASE OF ITS SHARES

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan exceeding the limit mentioned therein, to persons in the employment of the Company its Directors or Key Managerial Personnel, for purchase or subscribe shares of the Company.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

Your Board confirms that there is no proceeding pending under the Insolvency and Bankruptcy Code, 2016. During the year under review there is no instance of onetime settlement with any Bank or Financial Institution.

ANNUAL RETURN

The Company shall place the Annual Return filed with Registrar of Companies for FY 2024-25 on its website www.tsaprocessequipments.com once the same is filed.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support extended by the Company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of
TSA Process Equipments Private Limited

	Apurva Shah	**Rajiv Parikh**
	Director	Director
Pune, April 29, 2025	DIN: 00150125	DIN:01187686

Annexure- 1

Policy on the Selection and Appointment of Directors and the Remuneration of Directors, Key Managerial Personnel (KMP), and Employees

The Nomination & Remuneration Committee (NRC) has prepared a "Terms of Reference" (TOR), which, inter alia, deals with laying down the criteria for the selection of Directors, based on the requirements of the organization, including the qualifications, and determining the independence of Directors. The NRC has also laid down the criteria for the evaluation of the performance of the Board and guidelines for determining the remuneration of Directors, KMP and other employees of the Company. This Policy is based on the above TOR of NRC:

(1) Criteria for selection and appointment of Directors:

(a) The Director shall have relevant expertise and experience commensurate with the requirements of the Company to discharge the duties as a Director.

(b) While selecting a director, the emphasis be given to the qualifications, experience, and personal and professional standing of the incumbent.

(c) Assess the independence and nature of the appointment as Director vis-à-vis any conflict- of-interest w.r.t. any pecuniary relationship and procure necessary declaration.

(d) The Director is not disqualified for appointment u/s. 164 of the Companies Act, 2013.

(e) In the event of re-appointment of the Director, due emphasis be given to the performance evaluation of the Director during his tenure.

(2) Remuneration of Non- Executive Directors (NEDs):

The remuneration payable to Directors shall be in accordance with Sec. 197 of the Companies Act, 2013 and other applicable provisions & rules made thereunder from time to time.

The Directors shall also be eligible to receive reimbursement of expenses for participation in the Board and Committee Meetings.

The Independent Directors shall be entitled to receive remuneration by way of sitting fees for attending the meetings of the Board as well as the Committees.

(3) Criteria for selection of MD, WTD & CEO:

For selection of the MD, WTD and CEO, the NRC shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendations, if any, received from any member of the Board. The Committee will also ensure that the incumbent fulfills such other criteria regarding age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

(4) Remuneration for MD, WTD & CEO:

i. At the time of appointment or re-appointment, the Managing Director (MD), Whole Time Director (WTD) and Chief Executive Officer (CEO) shall be paid such remuneration as may be mutually agreed between the Company (which includes the NRC and the Board of Directors) and the MD, WTD and CEO within the overall limits prescribed under the Companies Act, 2013.

ii. The remuneration shall be subject to the approval of the Members of the Company in the General Meeting.

iii. The remuneration of the MD, WTD and CEO is broadly divided into fixed and variable components. The fixed component comprises salary, allowances, perquisites, amenities and retiral benefits. The variable component comprises a performance bonus.

iv. In determining the remuneration (including the fixed increment and performance bonus) the NRC shall ensure/consider the following:

a. the relationship of remuneration and performance benchmarks is clear.

b. balance between fixed and incentive pay reflecting short and long term performance objectives, appropriate to the working of the Company and its goals.

c. responsibility required to be shouldered by the MD, WTD and CEO, the industry benchmarks, and the current trends.

d. the Company's performance vis-à-vis the annual budget achievement and individual performance vis-à-vis the KRAs / KPIs.

(5) Remuneration Policy for Senior Management, KMPs and employees:

The NRC, while determining the remuneration of Senior Management/ employees and KMPs shall ensure the following:

(i) he remuneration is divided into Fixed component & Variable Component (Short Term Incentive Plan (STIP) and Long-Term Incentive Plan (LTIP)

(ii) The division between fixed and variable is based on the roles & responsibilities, the Company's performance vis-à-vis KRA & KPIs, industry benchmark and current compensation trends in the market.

(6) Remuneration criteria for employees:

Employees will be assigned roles based on their qualifications, work experience, competencies, and responsibilities within the organization. Employee remuneration will be determined in line with the company's current HR policy, taking into account factors such as job profile, skill sets, seniority, experience, performance, and prevailing compensation levels for similar roles.

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

Annexure 2

ANNUAL REPORT ON CSR ACTIVITIES AND CSR POLICY
CSR REPORT FOR THE FINANCIAL YEAR 2024-25

1. A Brief outline on CSR Policy of the Company

TSA Process Equipmemts Private Limited is a subsidiary of Thermax Limited, specializes in water treatment solutions, particularly high-purity and ultra-pure water systems for various industries like pharmaceuticals, biopharma, and personal care. Being a subsidiary of Thermax Limited, it has been decided that the CSR policy of the Company will be aligned with the CSR policy of Thermax Limited and the CSR activities of the Company shall be conducted through Thermax Foundation (TF).

2. Composition of CSR Committee:

Pursuant to the Companies Amendment Act, 2020 and notification dated January 22, 2021, where the amount spent by a Company on CSR does not exceed fifty lakh rupees the requirement for constitution of the CSR Committee should not be applicable. Therefore, since the CSR contribution made by the Company in FY 2024-25 did not exceed Rs. 50 lakhs, CSR committee will be not applicable.

3.	Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company	**https://www.tsaprocessequipments.com/**
4.	Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable. (attach the report).	**NA**

5.	(a) Average net profit of the Company as per sub-section (5) of section 135:	**Rs. 9,98,27,870**
	(b) Two percent of average net profit of the company as per sub-section (5) of section 135.	**Rs. 19,96,557.41**
	(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years:	**NA**
	(d) Amount required to be set-off for the financial year, if any:	**NA**
	(e) Total CSR obligation for the financial year [(b)+(c)- (d)]:	**Rs. 19,96,557.41**

6.	(a) Amount spent on CSR Projects (both ongoing projects and other than ongoing projects):	**Rs. 20,00,000/-**
	(b) Amount spent in Administrative Overheads:	**Nil**
	(c) Amount spent on Impact Assessment, if applicable:	**NA**
	(d) Total amount spent for the Financial Year [(a)+(b) +(c)]:	**Rs. 20,00,000/-**

e) CSR amount spent or unspent for the Financial Year:

Total amount Spent for the Financial Year. (in Rs.)	**Amount Unspent (in Rs.)**				
	Total Amount transferred to Unspent CSR Account as per sub section (6) of Section 135.		**Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135.**		
	Amount	**Date of Transfer**	**Name of the Fund**	**Amount**	**Date of Transfer**
Rs. 20,00,000	Not Applicable				

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount (in Rs.)
(1)	(2)	(3)
(i)	Two percent of average net profit of the Company as per sub-section (5) of section 135	Rs. 19,96,557.41
(ii)	Total amount spent for the Financial Year	Rs. 20,00,000.00
(iii)	Excess amount spent for the Financial Year [(ii)-(i)]	3,442.59
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	-
(v)	Amount available for set off in succeeding Financial Years [(iii)-(iv)]	-

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

1	2	3	4	5	6		7	8
Sl. No.	Preceding Financial Year(s)	Amount transferred to Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Balance Amount in Unspent CSR Account under sub- section (6) of section 135 (in Rs.)	Amount Spent in the Financial Year (in Rs)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub- section (5) of section 135, if any		Amount remaining to be spent in succeeding Financial Years (in Rs)	Deficiency, if any
					Amount (in Rs.)	Date of Transfer		
NIL								

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year

☐ Yes ☑ No

If Yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

Sl. No.	Short particulars of the property or asset(s) [including complete address and location of the property]	Pincode of the property or asset(s)	Date of Creation	Amount of CSR amount spent	Details of entity/ Authority/ beneficiary of the registered owner		
1	2	3	4	5	6		
					CSR Registration Number, if applicable	Name	Registered Address
Not Applicable							

9. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per sub section (5) of section 135.

For and on behalf of the Board of Directors of
TSA Process Equipments Private Limited

Apurva Shah
Director
DIN: 00150125

Rajiv Parikh
Director
DIN:01187686

Pune
Pune, April 29, 2025

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

INDEPENDENT AUDITOR'S REPORT

To the members of TSA Process Equipments Private Limited

Report on the audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of TSA Process Equipments Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Cash Flows and the Statement of Changes in Equity for the period then ended, and 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, 2025, its Profits and total comprehensive income, its changes in equity and its cash flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the 'Auditors' 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 ("the ICAI") together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the Financial Statements.

Other Matter

The audited financial statements of the Company for the year ended 31 March 2024 and quarter ended 30 June 2024 were audited/reviewed by erstwhile auditors who have expressed an unmodified opinion/conclusion on those audited/reviewed Financial Statements. Our conclusion is only for the period from 1 July 2024 to 31 March 2025 in respect of Profit and Loss items.

Our conclusion is not modified in respect of this matter.

Information other than the Financial Statements and Auditors' Report thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the Directors' Report and the related annexures, but does not include the Financial Statements and our Auditors' 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 for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these Financial Statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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.

Auditors' 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 auditors' report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

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

We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the 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 auditors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents 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.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Financial Statements.

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. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

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

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

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

   (d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164(2) of the Act.

   (f) With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure A. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to Financial Statements.

   (g) In our opinion, the managerial remuneration for the year ended March 31, 2025 has been paid / provided by the Company to its directors in accordance with the provisions of Section 197 read with Schedule V to the Act which also requires the approval of shareholders in the ensuing general meeting. (Refer Note 35.9 to the Financial Statements).

   (h) With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of 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 does not have any pending litigations which would impact its financial position in its 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 were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

   iv. (a) The management has represented that, to the best of its knowledge and belief, 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 that we considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clauses (a) and (b) contain any material misstatement.

   (v) The Company has not declared/paid/declared and paid any dividend during the year; and

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

B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXSA3153

Place: Pune
Date: April 29, 2025

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date]

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

We have audited the internal financial controls with reference to Financial Statements of **TSA Process Equipments Private Limited** ("the Company") as of March 31, 2025, in conjunction with our audit of the Financial Statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Financial Statements included obtaining an understanding of internal financial controls with reference to Financial Statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to Financial Statements

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

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system with reference to Financial Statements and such internal financial controls with reference to Financial Statements were operating effectively as at March 31, 2025, based on the criteria for internal financial control with reference to Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXSA3153

Place: Pune
Date: April 29, 2025

Annexure B to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on other Legal and Regulatory Requirements' section of our report of even date]

i. (a) A) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.

(B) According to the information and explanations given to us, the Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has a regular programme of physical verification of its property, plant and equipment by which the property, plant and equipment are verified by the management according to a phased programme designed to cover all the items over a period of two years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its property, plant and equipment. In accordance with the programme, the Company has physically verified certain property, plant and equipment during the year and no material discrepancies were noticed on such verification.

(c) According to the information and explanation given to us and on the basis of our examination of records of the Company, in respect of immovable properties (Land) that have been taken on lease, the lease agreements are held in the name of the Company where the Company is the lessee in the agreements. The Company does not have any other immovable property.

(d) According to the information and explanations given to us, the Company has not revalued any of its Property, Plant and Equipment (including Right of Use assets) or intangible assets or both during the year. Hence reporting under clause 3((i)(d) is not applicable to the Company.

(e) Based on the audit procedures performed by us and according to the information, explanations and representations given to us, 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 explanations given to us, the inventory comprising of raw materials, work-in-progress, finished goods have been physically verified at reasonable intervals by the management during the year. In our opinion, the coverage and procedure of such verification by the management is appropriate and no discrepancies of 10% or more in the aggregate for each class of inventory were noticed on such verification between the physical inventory and the book records.

(b) According to the information and explanations given to us, the Company has been sanctioned working capital limits in excess of five crore rupees from Citi Bank ("the Bank") on the basis of security of the current assets during the year. The statements of current assets filed by the Company with the Bank on a quarterly basis are in agreement with the unaudited books of account as certified by the management.

(iii) According to the information and explanations given to us, the Company has not made investments in or provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties during the year. Accordingly, the reporting under Clauses 3(iii)(a) to 3(iii)(f) of the Order is not applicable to the Company.

(iv) According to the information and explanations given to us, the Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186 of the Act. Accordingly, the reporting under Clause 3(iv) of the Order is not applicable to the Company.

(v) According to the information and explanations given to us, the Company has not accepted deposits under the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder. Accordingly, the reporting under Clause 3(v) of the Order is not applicable to the Company.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act for the products of the Company. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended, specified by the Central Government under sub-section (1) of Section 148 of the Act and are of the opinion that, prima facie, the prescribed cost records have been made and maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, the amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Duty of Customs, Income Tax and other material statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities though there has been a slight delay in a few cases . According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no undisputed statutory dues payable in respect of Sales tax, Service tax, Duty of Excise and Value Added Tax.

According to the information and explanations given to us and on the basis of our examination of records of the Company, there were no arrears of outstanding statutory dues in respect of 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 other material statutory dues as on the last day of the financial year for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and on the basis of our examination of records of the Company, there are no statutory dues in respect of Income Tax, Goods and Services Tax, Service Tax, Provident Fund, Employees State Insurance, Sales tax, Service tax, Duty of Customs, Duty of Excise, Value added tax, Cess as at 31 March 2025, which have not been deposited on account of any dispute.

(viii) According to the information and explanations given to us, there are no transactions not recorded in the books of account which have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961. Accordingly, the reporting under Clause 3(viii) of the Order is not applicable to the Company.

(ix) (a) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) According to the information and explanations given to us, the Company has not been declared a willful defaulter by any bank or financial institution or any other lender till the date of our audit report.

(c) According to the information and explanations given to us and based on the audit procedures performed by us, the Company has not availed any term loans during the year. Accordingly, the reporting under Clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that funds raised on short-term basis have not been utilised for long- term purposes as at the Balance Sheet date.

(e) According to the information and explanations given to us and on an overall examination of the Financial Statements of the Company, we report that the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and based on the audit procedures performed by us, we report that the Company has not raised any loans during the year on the pledge of

securities held in its subsidiaries. Accordingly, the reporting under Clause 3(ix)(f) of the Order is not applicable to the Company.

(x) (a) According to the information and explanations given to us, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under Clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the reporting under Clause 3(x)(b) of the Order is not applicable to the Company.

(xi) (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of 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) There has been no report filed by us under sub-section (12) of Section 143 of the Act in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government. Accordingly, the reporting under Clause 3(xi)(b) of the Order is not applicable to the Company.

(c) Though establishment of vigil mechanism is not mandated for the Company by the Act, or by Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) ("SEBI LODR") Regulations, as represented by the management, no whistle blower complaints were received by the Company during the year.

(xii) According to the information and explanations given to us, the Company is not a Nidhi company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, the reporting under Clause 3(xii) of the Order is not applicable to the Company.

(xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act. The details of such related party transactions have been disclosed in the Financial Statements as required by Indian Accounting Standard (Ind AS) 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 and based on our examination, internal audit system is not applicable to the Company. Hence reporting under clause 3(xiv) is not applicable to the Company.

(xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with its directors or directors of its holding company and subsidiary companies or persons connected with them during the year and hence, the provisions of Section 192 of the Act are not applicable to the Company. Accordingly, the reporting under Clause 3(xv) of the Order is not applicable to the Company.

(xvi) (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under Clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) In our opinion and according to the information and explanations given to us, the Company has not conducted any Non-Banking Financial or Housing Finance activities. Accordingly, the reporting under Clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) In our opinion and according to the information and explanations given to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under Clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) Based on the information and explanations given to us, we report that the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one Core Investment Companies.

(xvii) In our opinion and according to the information and explanations given to us, the Company has not incurred cash losses in the current financial year as well as in the immediately preceding financial year. Accordingly, the reporting under Clause 3(xvii) of the Order is not applicable to the Company.

(xviii) There has been resignation of the statutory auditors during the year. However, there are no issues, objections or concerns raised by the outgoing auditors.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the Financial Statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to 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) According to the information and explanations given to us, in respect of other than ongoing projects, the Company has no unspent amount that needs to be transferred to a Fund specified in Schedule VII to the Act in compliance with second proviso to sub-section (5) of Section 135 of the Act.

B. K. Khare & Co.
Chartered Accountants
Firm Registration No. 105102W

Amit Mahadik
Partner
Membership No. 125657
UDIN: 25125657BMLXSA3153

Place: Pune
Date: April 29, 2025

Balance Sheet as at March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Assets			
Non-current assets		**1,537.68**	**1,143.09**
(a) Property, plant and equipment	1	1,237.33	446.48
(b) Capital work-in-progress	1	0.15	372.94
(c) Right-of-use assets	2	102.30	155.92
(d) Goodwill		-	-
(e) Other Intangible assets		-	-
(f) Intangible assets under development	1a	61.58	-
(g) Financial assets			
(i) Investments	3	1.04	1.04
(ii) Trade receivables		-	-
(iii) Loans		-	-
(iv) Other financial assets	4	36.27	58.18
(h) Deferred tax assets (net)	5	95.06	83.43
(i) Other non-current assets	6	3.95	25.10
Current assets		**9,301.12**	**7,916.45**
(a) Inventories	7	3,511.17	2,860.55
(b) Financial assets			
(i) Investments		-	-
(ii) Trade receivables	8	5,196.28	4,611.57
(iii) Cash and cash equivalents	9	39.66	84.33
(iv) Bank balance other than (iii) above	9	8.26	-
(v) Loans	10	12.92	15.83
(vi) Other financial assets	11	38.64	30.50
(c) Income tax assets (net)	12	-	31.04
(d) Other current assets	13	494.19	282.63
Total Assets		**10,838.80**	**9,059.54**
Equity and liabilities			
I. Equity		**3,822.10**	**3,594.64**
(a) Equity share capital	14	136.80	136.80
(b) Other equity	15	3,685.30	3,457.84

Particulars	Note No	As at March 31, 2025	As at March 31, 2024
Liabilities			
II. Non-current liabilities		**261.19**	**631.32**
(a) Financial liabilities			
(i) Borrowings	16	6.29	392.89
(ii) Lease liabilities	17	92.14	123.91
(iii Trade and other payables			
a) total outstanding dues of micro enterprises and small enterprises		**-**	**-**
b) total outstanding dues of creditors other than micro enterprises and small enterprises		-	-
(iv) Other financial liabilities	18	-	-
(b) Provisions	19	162.76	114.52
(c) Deferred tax liabilities (net)		-	-
III. Current liabilities		**6,755.50**	**4,833.58**
(a) Financial liabilities			
(i) Borrowings	20	2,169.60	1,477.18
(iii) Lease liabilities	21	32.06	51.90
(ii) Trade and other payables			
a) total outstanding dues of micro enterprises and small enterprises	22	463.63	631.77
b) total outstanding dues of creditors other than micro enterprises and small enterprises	22	1,721.64	1,319.08
(iv) Other financial liabilities	23	120.75	153.11
(b) Provisions	24	24.82	3.06
(c) Income tax Liabilities (net)	24a	38.26	-
(d) Other current liabilities	25	2,184.74	1,197.48
Total Equity and Liabilities		**10,838.80**	**9,059.54**
Material accounting policies	36		

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

As per our report of even date attached

For B K Khare & Co
Chartered Accountants
Firm Registration No. : 105102W

Amit Mahadik
Partner
Membership No. : 125657
UDIN: 25125657BMLXSA3153

Place: Pune
Date: April 29, 2025

For and on behalf of the Board of Directors of
TSA Process Equipments Private Limited
CIN: U74999MH2004PTC149217

Apurva Shah
Director
DIN : 00150125

Rajiv Parikh
Director
DIN : 01187686

Alpesh Shah
Chief Financial Officer

Vishal Mehra
Director
DIN : 10584624

Place: Pune
Date: April 29, 2025

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

Statement of profit and loss for the year ended March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	Note no	As at March 31, 2025	As at March 31, 2024
Income			
Revenue from operations	26	12,965.26	12,183.11
Other income	27	40.70	35.35
Total Income		**13,005.96**	**12,218.46**
Cost of raw materials and components consumed	28	8,904.17	7,864.17
Purchase of traded goods		-	-
Changes in inventories of finished goods, work-in-progress and traded goods	29	(195.25)	408.45
Employee benefits expense	30	1,107.50	825.30
Finance costs	31	230.06	169.99
Depreciation and amortisation expense	32	93.72	121.93
Other Expenses	33	2,507.31	2,046.16
Total Expenses		**12,647.51**	**11,436.00**
Profit before exceptional items and tax		**358.45**	**782.46**
Exceptional Items [Income/ (Expense)]			
Profit before tax		**358.45**	**782.46**
Tax expense		130.00	216.10
Current tax	34	140.00	266.45
(Excess)/short provision related to earlier years	34	1.30	-
Deferred tax	34	(11.30)	(50.35)
Profit for the year		**228.45**	**566.36**
Other comprehensive income			
A. Other comprehensive income not to be reclassified to profit or loss in subsequent periods:		(0.99)	(6.69)
Re-measurement gains/(losses) on defined benefit plans		(1.32)	(8.94)
Income tax effect on above		0.33	2.25
Total other comprehensive income for the year, net of tax [A + B]		**(0.99)**	**(6.69)**
Total comprehensive income for the year		**227.46**	**559.67**
Earnings per equity share [nominal value per share ₹ 10 (31st March 2024 : ₹ 10)]			
Basic		16.70	41.40
Diluted		16.70	41.40
Material accounting policies			

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

Statement of Changes in Equity for the year ended March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

A Equity Share Capital#

Equity Shares of ₹ 10 each issued, subscribed and fully paid	No. of shares	Amount
As at 01st April 2023	1,368,000	136.80
Issue/Reduction, if any during the year	-	-
As at 31st March 2024	1,368,000	136.80
Issue/Reduction, if any during the year	-	-
As at 31st March 2025	**1,368,000**	**136.80**

B Other Equity#

Particulars	Reserves and Surplus		Items of OCI		Total
	Securities Premium	General Reserve/ Retained Earnings	Equity instruments through other comprehensive income	Foreign currency translation reserve	
As at 01st April 2023	294.40	2,603.77			2,898.17
Profit for the year		566.36			566.36
Other comprehensive income for the year		(6.69)			(6.69)
Total Comprehensive income for the year	-	559.67	-	-	559.67
As at 31st March 2024	294.40	3,163.44	-	-	3,457.84
Profit for the year	-	228.45	-	-	228.45
Other comprehensive income for the year	-	(0.99)	-	-	(0.99)
Total Comprehensive income for the year	**-**	**227.46**	**-**	**-**	**227.46**
As at 31st March 2025	**294.40**	**3,390.90**	**-**	**-**	**3,685.30**

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

As per our report of even date attached

For B K Khare & Co
Chartered Accountants
Firm Registration No. : 105102W

Amit Mahadik
Partner
Membership No. : 125657
UDIN: 25125657BMLXSA3153

Place: Pune
Date: April 29, 2025

For and on behalf of the Board of Directors of
TSA Process Equipments Private Limited
CIN: U74999MH2004PTC149217

Apurva Shah
Director
DIN : 00150125

Rajiv Parikh
Director
DIN : 01187686

Alpesh Shah
Chief Financial Officer

Vishal Mehra
Director
DIN : 10584624

Place: Pune
Date: April 29, 2025

Cash flow statement for the year ended March 31, 2025

(All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	As at March 31, 2025	As at March 31, 2024
CASH FLOW FROM OPERATING ACTIVITIES		
Profit / (Loss) before Tax	358.42	782.46
Adjustments to reconcile profit before tax to net cash flows:	420.23	286.98
Add:		
Depreciation and Amortisation	93.72	121.93
Provision for doubtful debts and advances (net)	100.28	10.18
Bad debts and irrecoverable balances written off	-	-
Finance cost	230.06	169.99
Less:		
Unwinding of interest on deposits	(1.61)	(1.48)
Sundry Credit Balances Appropriated	-	(10.24)
Surplus on sale of assets	-	(1.28)
Interest / Dividend received (Finance income)	(2.22)	(2.13)
Operating Profit before working capital changes	**778.65**	**1,069.44**
Changes in working capital	**(270.85)**	**(582.15)**
(Increase) / Decrease in Inventories	(650.61)	(641.78)
(Increase) / Decrease in Trade Receivable	(685.93)	(498.94)
Increase / (Decrease) in Trade Payables	234.42	449.45
(Increase)/Decrease in Loans	2.91	(3.18)
(Increase)/Decrease in Other Non current Financial Assets	23.52	(22.63)
(Increase)/Decrease in Other current Financial Assets	(8.20)	(16.78)
(Increase)/Decrease in Other Current Assets	(81.29)	(93.44)
Increase/(Decrease) in Other Current Financial Liabilities	(32.36)	61.67
Increase/(Decrease) in Other Current Liabilities	(94.52)	22.47
Increase/(Decrease) in Advance from customer	1,081.78	99.62
(Increase)/Decrease in Advance paid to Creditors	(130.24)	7.69
Increase / (Decrease) in Provisions	69.66	53.71
Net Cash generated / (used in) from operations	**507.81**	**487**
Direct taxes paid	(71.99)	(522.00)
NET CASH FLOW FROM OPERATING ACTIVITIES	**435.81**	**(34.71)**

Particulars	As at March 31, 2025	As at March 31, 2024
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from Sale of Property, Plant and Equipment	-	2.00
Acquisition of Property, Plant and equipment	(519.73)	(527.81)
Advance for Acquisition of Property, Plant and equipment	21.15	(25.10)
Interest received (Finance income)	2.27	2.37
NET CASH FLOW FROM INVESTING ACTIVITIES	**(496.31)**	**(548.54)**
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from borrowings	305.82	549.08
Repayment of Lease Liability	(65.34)	(48.94)
Lease liability		
Interest paid (finance cost)	(216.39)	(152.41)
NET CASH FLOW FROM FINANCING ACTIVITIES	**24.09**	**347.74**
Net increase / (decrease) in cash and cash equivalents	**(36.41)**	**(235.51)**
Opening Cash and Cash equivalents	**84.33**	**319.84**
Closing Cash and Cash equivalents	**47.92**	**84.33**

As per our report of even date attached

For B K Khare & Co
Chartered Accountants
Firm Registration No. : 105102W

Amit Mahadik
Partner
Membership No. : 125657
UDIN: 25125657BMLXSA3153

Place: Pune
Date: April 29, 2025

For and on behalf of the Board of Directors of
TSA Process Equipments Private Limited
CIN: U74999MH2004PTC149217

Apurva Shah
Director
DIN : 00150125

Rajiv Parikh
Director
DIN : 01187686

Alpesh Shah
Chief Financial Officer

Vishal Mehra
Director
DIN : 10584624

Place: Pune
Date: April 29, 2025

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

1. Corporate information

TSA Process Equipment Private Limited ('the Company'), is in the business of design and manufacturing of water system & process equipment for optimal purity and manufacture them with high-quality materials for supply of high purity applications in Pharmaceutical, Biotech & Food Beverage Industries.

Its business portfolio includes

1. Offering upstream and downstream suites of Process Vessels, CIP/ SIP Systems, microbial fermenters, animal cell culture bioreactors, interconnecting piping and utilities and bio kill systems.

2. High Purity range includes clean utility systems for purified water, WFI (Water for injection) and pure steam generation and distribution systems.

3. Providing innovative and sustainable process solutions for Pharma and bio pharma industries. Important features being

   a. cGMP and Country specific FDA compliant

   b. As per US FDA guidelines

   c. Designed with a QRM/ QRS approach as per ASME / BPE / PED guidelines.

The Company is a Private Limited company incorporated under the provisions of the Companies Act, 2013 (the 'Act') and domiciled in India. The CIN of the Company is U74999MH2004PTC149217. The address of its registered office is 701, Star Hub-1, Behind ITC Maratha Hotel, Sahar Road, Andheri (East), Mumbai – 400059, Maharashtra, India.

2. Material accounting policies

2.1. Basis of preparation and measurement

(a) Basis of preparation

These standalone financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Act) as applicable to the standalone financial statements.

The preparation of the standalone financial statements requires the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the standalone financial statements are disclosed in note 34(3).

The accounting policies adopted for preparation and presentation of these standalone financial statements have been consistently applied for financial years beginning on or after April 1, 2023

(b) Basis of measurement

The standalone financial statements have been prepared on the accrual and going concern basis under historical cost convention except the following:

- Derivative financial instruments;
- Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- Defined benefit plans whereby the plan assets are measured at fair value

2.2 Summary of Material accounting policies

(a) Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Expected to be realized within twelve months after the reporting period, or
- Cash or cash 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 expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

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

The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

The Company has identified twelve months as its operating cycle.

b. Foreign currencies

The Company's standalone financial statements are prepared in INR, which is also the functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rates at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognized in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c. Fair value measurement

The Company measures financial instruments, such as, derivatives 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:

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

The principal or the most advantageous market must be accessible by the Company. The 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 asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

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

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

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

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

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

Fair value measurement of unquoted financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of assumption is required in establishing fair values. Assumptions include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. Refer note 35 for further disclosures.

(d) Financial Instruments

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.

Financial assets

Financial assets are classified, at initial recognition and subsequently measured at amortized cost, fair value through other comprehensive income (OCI), and fair value through profit or loss. For all subsequent measurements financial assets are classified in following categories by the Company:

(i) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

(ii) Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI is classified as FVTPL (refer note 15).

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the Statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

• The rights to receive cash flows from the asset have expired; or

• The Company has transferred its 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 under a "pass-through" arrangement; 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.

Impairment of financial assets

Further disclosures relating to impairment of financial assets are provided in the following notes:

• Trade receivables - Refer note 7;

Financial liabilities

Financial liabilities are classified, at initial recognition, as financial liabilities at FVTPL, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate. All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts, financial guarantee contracts and derivative financial instruments.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost.

All changes in fair value of financial liabilities classified as FVTPL is recognized in the Statement of profit and loss. Amortized cost category is applicable to loans and borrowings, trade and other payables. After initial recognition the financial liabilities are measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires when an existing financial liability

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

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

(e) Derivative financial instruments and hedge accounting

Initial recognition and subsequent measurement

The Company uses derivative financial instruments, such as forward currency contracts and interest rate swaps, to hedge its foreign currency risks and interest rate risks respectively. Such derivative financial instruments are initially recognized at fair value on the date on which a derivative contract is entered into and are subsequently re-measured at fair value. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

Any gains or losses arising from changes in the fair value of derivatives are taken directly to the Statement of profit and loss, except for the effective portion of cash flow hedges, which is recognized in OCI and later reclassified to profit or loss when the hedge item affects profit or loss or treated as basis adjustment if a hedged forecast transaction subsequently results in the recognition of a non-financial asset or non-financial liability.

For the purpose of hedge accounting, hedges are classified as "Cash flow hedges" when hedging the exposure to variability in cash flows that is either attributable to a particular risk associated with a recognized asset or liability or a highly probable forecast transaction or the foreign currency risk in an unrecognized firm commitment.

At the inception of a hedge relationship, the Company formally designates and documents the hedge relationship to which the Company wishes to apply hedge accounting and the risk management objective and strategy for undertaking the hedge. The documentation includes the Company's risk management objective and strategy for undertaking hedge, the hedging / economic relationship, the hedged item or transaction, the nature of the risk being hedged and how the entity will assess the effectiveness of changes in the hedging instrument's fair value in offsetting the exposure to changes in the hedged item's fair value or cash flows attributable to the hedged risk. Such hedges are expected to be highly effective in achieving offsetting changes in fair value or cash flows and are assessed on an ongoing basis to determine that they actually have been highly effective throughout the financial reporting periods for which they were designated Hedges that meet the strict criteria for hedge accounting are accounted for, as cash flow hedge.

Cash flow hedges

The effective portion of the gain or loss on the hedging instrument is recognized in OCI in the cash flow hedge reserve, while any ineffective portion is recognized immediately in the Statement of profit and loss. The Company uses forward currency contracts as hedges of its exposure to foreign currency risk in forecast transactions and firm commitments. The ineffective portion relating to foreign currency contracts is recognized in statement of profit and loss.

Amounts recognized in OCI are transferred to the Statement of profit and loss when the hedged transaction affects profit or loss, such as when the hedged financial income or financial expense is recognized or when a forecast sale occurs. When the hedged item is the cost of a non-financial asset or non-financial liability, the amounts recognized in OCI are transferred to the initial carrying amount of the non-financial asset or liability. If the hedging instrument expires or is sold, terminated or exercised without replacement or rollover (as part of the hedging strategy), or if its designation as a hedge is revoked, or when the hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss previously recognized in OCI remains separately in equity until the forecast transaction occurs or the foreign currency firm commitment is met.

(f) Employee stock option and share based payments

In respect of stock options granted pursuant to the Company's Employee Stock Option Scheme, the Company recognizes employee compensation expense, using the grant date fair value in accordance with Ind AS 102 - "Share Based Payment (SBP)", on straight line basis over the period over which the employees would become unconditionally entitled to apply for the shares. Employees (senior executives) of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments.

The Company initially measures the cost of transactions with employees using a Black Scholes Options Pricing model to determine the fair value of the liability incurred.

Estimating fair value for share-based payment transactions requires determination of the most appropriate valuation model and the performance of the Company, which is dependent on the terms and conditions of the grant. This estimate also requires determination of the most appropriate inputs to the valuation model including the expected life of the share option, volatility and dividend yield and making assumptions about them.

The assumptions and models used for estimating fair value for share-based payment transactions are disclosed in note 38.

3. Significant accounting judgments, estimates and assumptions

In the application of the Company's accounting policies, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the standalone financial statements.

The areas involving significant estimates or judgements are:

a. Estimations used for fair value measurement (Refer note 2.2.c);

b. Estimations used for impairment of financial assets and liabilities (Refer note 2.2.d);

c. Estimates and assumptions for income taxes (Refer note 3.2);

d. Estimates and assumptions related to provisions (Refer note 3.2);

e. Estimates, judgments and assumptions used for revenue from operations (Refer note 3.1(i));

f. Judgements related to segment reporting (Refer note 3.1(ii)).

3.1 Judgements

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

i) Revenue recognition on construction contracts

Company's revenue is recognized on the completion of the project rather than on percentage completion. This requires management to make judgement with respect to recognition of revenue at point

Notes to the financial statements for the year ended March 31, 2025
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in time, depending upon when the customer consumes the benefit, when the control is passed to customer and whether the company has right to payment for performance completed till date, either contractually or legally.

ii) Segment reporting

Ind AS 108 'Operating Segments' requires Management to determine the reportable segments for the purpose of disclosure in standalone financial statements based on the internal reporting reviewed by Chief Operating Decision Maker (CODM) to assess performance and allocate resources. The standard also requires Management to make judgments with respect to aggregation of certain operating segments into one or more reportable segment.

Operating segments used to present segment information are identified based on the internal reports used and reviewed by the Chief Executive Officer to assess performance and allocate resources. The Company is operating in a single business segment, viz Industrial Product.

3.2 Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the standalone financial statements were prepared. Existing circumstances and assumptions 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.

i. Impairment of non-financial assets

Impairment exists when the carrying value of an asset or cash generating unit (CGU) exceeds its recoverable amount, which is the higher of its fair value less costs of disposal and its value in use. The fair value less costs of disposal calculation is based on available data from binding sales transactions, conducted at arm's length, for similar assets or observable market prices less incremental costs for disposing of the asset. The value in use calculation is based on a Discounted Cash Flow (DCF) model. The cash flows are derived from the budget for the next five years as approved by the Management and do not include restructuring activities that the Company is not yet committed to or significant future investments that will enhance the asset's performance of the CGU being tested. The recoverable amount is sensitive to the discount rate used for the DCF model as well as the expected future cash-inflows and the terminal growth rate used.

ii. Defined benefit plans

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

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

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

Further details about defined benefit obligations are provided in Note 36.5.6

iii. Warranty provision

The Company generally offers warranty for its various products. Warranty costs are provided based on a technical estimate of the costs required to be incurred for repairs, replacements, material costs, servicing cost and past experience in respect of warranty costs. Management estimates the related provision for future warranty claims based on historical warranty claim information, as well as recent trends that might suggest that past cost information may differ from future claims. The assumptions made in current period are consistent with those in the prior year. Warranty provisions are discounted using a pre-tax discount rate which reflects current market assessments of time value of money and risks specific to the liability considering the materiality of the amounts involved.

iv. Impairment of financial assets

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss and credit risk exposure on the financial assets that are debt instruments measured at amortized costs e.g. loans, deposits, trade receivables, lease receivables, contractual receivables and bank balances. The Company follows 'simplified approach' for recognition of impairment allowance.

ECL impairment allowance (or reversal) recognized during the period is recognized as income/expense in the Statement of profit and loss under the head 'other expenses'. ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

v. Deferred taxes

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

(b) Property, Plant and Equipment

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

The company has adopted Ind AS from transition date 1st April 2022. Accordingly the company has elected to continue with the carrying value of all of its Property, plant and equipment measured as per the Indian GAAP as at 31 March 2022 and use those values as deemed cost.

Property, plant and equipment (PPE) and capital work in progress are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalized. Subsequent costs/replacement costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognized. All other repairs and maintenance are charged to the Statement of profit and loss during the financial year in which they are incurred.

The Company identifies and determines cost of each component/ part of the asset separately, if the component/ part has a cost which is significant to the total cost of the asset and has useful life that is materially different from that of the remaining asset.

Depreciation on PPE is calculated on a straight line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The following useful lives are adopted by the management:

Asset category	Useful life as prescribed under Schedule II (years)
Factory Buildings	30
Plant and Equipment	15
Office equipment	5
Furniture and fixtures	10
Computers and data processing units	3
Vehicles	8

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis

(b) Intangible assets

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

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

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

Intangible assets with finite useful lives are amortized by using written down value method over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortization of Intangible assets is included in the depreciation and amortization in the statement of Profit and Loss.

The amortization period and amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates.

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

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

(c) Non-current assets held for sale and Discontinuing Operation

A. Non-current assets held for sale

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

B. Discontinuing Operation

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

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

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

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

(b) Is part of a single coordinated plan to dispose of a separate major line of business or geographical area of operations Or

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

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

(d) Inventories

Raw materials, components, stores and spares are valued at lower of cost and estimated net realizable value. Cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Cost is determined on a weighted average basis.

Finished goods and work in progress are valued at lower of cost and net realizable value. Cost includes direct materials and labour and a proportion of manufacturing overheads. Cost is determined on a weighted average basis.

Traded goods are valued at lower of cost and net realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Write down of inventories are calculated based on an analysis of foreseeable changes in demand, technology, market conditions and ageing of inventories.

(e) Revenue recognition

i. Revenue from contracts with customers

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

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

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

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Consideration is adjusted for the time value of money if the period between the transfer of goods or services and the receipt of payment exceeds twelve months and there is a significant financing benefit either to the customer or the company. If a contract contains more than one distinct good or service, the transaction price is allocated to each performance obligation based on relative stand-alone selling prices.

If stand-alone selling prices are not observable, the company reasonably estimates those. Revenue is recognized for each performance obligation either at a point in time or over time.

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

ii. Interest income

Interest Income from a Financial Asset is recognized using effective interest rate method. EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of a financial liability. Interest income is included in other income in the statement of profit and loss.

iii. Dividend

Revenue is recognized when the Company's right to receive the payment is established, which is when shareholders approve the dividend.

iv. Rental income

Rental income from operating leases (net of any incentives given to the lessee) is recognized on a straight-line basis over the lease term.

(f) Financial instruments

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.

(g) Cash and cash equivalents

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

(h) Government Grants

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

There is reasonable assurance that the company will comply with the conditions attached to it

Such benefits are earned and reasonable certainty exists of the collection.

Export Incentives

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

(i) Income tax

Current income tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 recognized outside profit or loss is recognized either in OCI or in equity. Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

Deferred tax liabilities are recognized for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax liabilities are recognized 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 utilized.

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

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;
- In respect of deductible temporary differences associated with investments in subsidiaries, associates and interests in joint arrangements, deferred tax assets are recognized 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 utilized.

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 utilized. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 recognized outside the statement of profit and loss is recognized outside the profit or loss. Deferred tax

items are recognized 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.

(j) Borrowing costs

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

(k) Leases

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

a) Company as a Lessee

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

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

Right-to-use Asset

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

Lease Liability

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

Lease Modification

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

b) Company as a Lessor

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

(l) Impairment of non-financial assets

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

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

(m) Provisions and Contingencies

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

However a disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

(n) 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 recognized in the period in which the employee renders the related service.

b) Post-Employment Benefits

(i) Defined contribution plan

The company makes payment to state government provident fund scheme and employee state insurance scheme which are defined contribution plans. The contribution paid/payable under

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

the schemes is recognized in the statement of profit and loss during the period in which the employee renders the related service. The company has no further obligations under these schemes beyond its periodic contributions.

(ii) Defined benefit plan

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

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

Past service costs are recognized 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 recognizes related restructuring costs

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

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

(iii) Other than the Defined contribution plan and Defined benefit plan disclosed above, the company does not offer any other Long term employment benefits or Termination benefits to its employees.

(o) Segment Reporting

a) Identification of Segments

The entire operation is governed by the same set of risk and returns and hence considered as representing a single primary segment and not analyzed separately. The analysis of geographical segments is based on the areas in which major operating divisions of the Company operate

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole.

(p) Earnings Per Share (EPS)

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

(q) Dividends

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

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

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

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

4 a) Property, Plant and Equipment

Particulars	Land	Factory Building	Plant and Machinery	Electrical Installation	Office Equipment	Telephone instrument	Computer	Vehicle	Furnitures and Fixtures	Total	Capital work-in-progress	Intangible assets under development
Gross Block												
As at 01 April 2023	**25.77**	**307.92**	**121.25**	**0.53**	**9.92**	**0.27**	**30.47**	**58.05**	**15.07**	**569.25**	**-**	
Additions	-	48.83	55.90	18.00	0.34	0.06	15.23	-	16.51	154.86	372.94	
Asset held of disposal	-	-	-	-	-	-	-	-	-	-		
Deductions/Amortization	-	-	-	-	-	-	-	5.97	-	5.97		
As at 01 April 2024	**25.77**	**356.74**	**177.15**	**18.53**	**10.26**	**0.33**	**45.69**	**52.08**	**31.59**	**718.14**	**372.94**	**-**
Additions	-	674.66	105.04	22.46	2.07	-	22.55	1.07	3.12	830.95	384.59	
Asset held of disposal	-	-	-	-	-	-	-	-	-	-	-	
Deductions/Amortization	-	-	-	-	-	-	-	-	-	-	757.38	
As at 31 March 2025	**25.77**	**1,031.40**	**282.18**	**40.99**	**12.33**	**0.33**	**68.24**	**53.15**	**34.70**	**1,549.09**	**0.15**	**61.58**
Depreciation										**-**		
As at 01 April 2023	**-**	**94.25**	**62.67**	**0.36**	**8.19**	**0.25**	**19.47**	**16.40**	**7.01**	**208.60**		
For the year	-	21.18	16.36	0.44	0.76	0.00	11.11	12.78	5.67	68.31		
Asset held of disposal	-	-	-	-	-	-	-	-	-	-		
Deductions/Amortization	-	-	-	-	-	-	-	5.26	-	5.26		
As at 01 April 2024	**-**	**115.43**	**79.04**	**0.80**	**8.95**	**0.26**	**30.58**	**23.93**	**12.68**	**271.66**		
For the year	-	13.10	8.67	2.11	0.45	0.01	7.81	5.83	2.12	40.10		
Asset held of disposal	-	-	-	-	-	-	-	-	-	-		
Deductions/Amortization	-	-	-	-	-	-	-	-	-	-		
As at 31 March 2025	-	128.53	87.70	2.90	9.40	0.27	38.39	29.76	14.79	311.76	-	-
Net Block										**-**		
As at 01 April 2023	**25.77**	**213.66**	**58.58**	**0.17**	**1.73**	**0.01**	**11.00**	**41.65**	**8.07**	**360.65**	**-**	
As at 01 April 2024	**25.77**	**241.31**	**98.11**	**17.73**	**1.31**	**0.07**	**15.11**	**28.15**	**18.91**	**446.48**	**372.94**	**-**
As at 31 March 2025	**25.77**	**902.87**	**194.48**	**38.09**	**2.92**	**0.06**	**29.84**	**23.38**	**19.91**	**1,237.33**	**0.15**	**61.58**

(a) Gross block is at Cost.
(b) For depreciation and amortisation refer accounting policy .
(c) Capital work in progress : Capital work-in-progress comprises cost of assets that are not yet installed and ready for their intended use at the balance sheet date. Total amount of CWIP is ₹ 61.73 Lakhs (31 March 2024: ₹ 372.94 Lakhs).

The ageing of capital work-in-progress/intangible assets under development

Particulars	Not Due	As at 31 March 2025					As at 31 March 2024				
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Projects in progress											
(i) Factory Building	0.15				0.15	372.94				372.94	-
(ii) ERP Oracle Server	56.40				56.40					-	-
(iii) Proposal ROBO Software	5.18				5.18					-	
Total	**61.73**	**-**	**-**	**-**	**61.73**	**372.94**	**-**	**-**	**-**	**372.94**	

Note 2 : Right-of-use Assets

Particulars	Category of Right-of-use assets			Total
	Office Building	Factory Building	Director's Rent	
As at 01 April 2023	**103.51**	**-**	**20.88**	**124.39**
Recognition	-	-	-	-
Additions	-	85.15	-	85.15
Deletion	-	-	-	-
Amortisation	26.15	17.03	10.44	53.62
As at 01 April 2024	**77.36**	**68.12**	**10.44**	**155.92**
Recognition	-	-	-	-
Additions	-	-	-	-
Deletion	-	-	-	-
Amortisation	26.16	17.04	10.44	53.64
As at 31 March 2025	**51.20**	**51.09**	**-**	**102.29**

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Note 3 : Non-current Investments

Particulars	Par Value/ Face Value Per Unit	As at 31st March 2025	As at 31st March 2024
Unquoted: Equity			
Investment in Equity Shares 2,000 (P.Y. 2,000) of TJSB Bank Limited		1.04	1.04
Total		**1.04**	**1.04**

Note 4 : Other Financial Assets (Non-current)

	As at March 31, 2025	As at March 31, 2024
Security deposits	35.08	24.50
Unsecured, considered good	35.08	24.50
Doubtful	-	-
Less : Loss allowance for doubtful deposits	-	-
Fixed deposits with bank	1.19	33.68
Investment in share application money	-	-
Others		
Total	**36.27**	**58.18**

Note 5 : Deferred Tax Assets (net)

Particulars	As at March 31, 2025	As at March 31, 2024
Deferred Tax Liability	**-**	**-**
Depreciation	-	-
Others	-	-
Less : Deferred Tax Assets	**(95.06)**	**(83.43)**
Disallowances u/s 43 B of Income Tax Act	-	(22.79)
Depreciation	-	(1.97)
Provision for doubtful debts & advances	-	(23.69)
Provision for Gratuity, Leave Encashment, Bonus	-	(28.34)
ROU Asset Net of Lease Liability and PV of Deposit	-	(6.64)
Others (Sales cut-off)	(95.06)	-
Total	**95.06**	**83.43**

(a) Reconciliation of deferred tax assets / (liabilities), net

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance as of 1 April	**83.43**	**30.82**
Tax income/(expense) during the year recognised in profit or loss	11.30	50.36
Tax income/(expense) during the year recognised in OCI	0.33	2.25
Closing balance as at 31 March	**95.06**	**83.43**

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

Note 6 : Other Non-current Assets

	As at March 31, 2025	As at March 31, 2024
Capital advances	3.95	25.10
Prepaid expenses		
Tax paid in advance (net of provision)		
Other advances to suppliers	-	-
Unsecured, considered good		
Doubtful		
Less : Loss allowance for doubtful advances		
Total	**3.95**	**25.10**

Note 7 : Inventories

	As at March 31, 2025	As at March 31, 2024
Raw materials	**2,135.86**	**1,680.50**
Raw materials and components includes stock in transit*	2,135.86	1,680.50
Work-in-progress	659.92	1,145.90
Finished goods	715.39	34.15
Traded goods	-	-
Stores and spares	-	-
Total	**3,511.17**	**2,860.55**

* includes goods in transit - Nil (March 31, 2024: Nil)

(a) Write Downs of inventories to net realisable value amounted to NIL Lakhs (31 March 2024 : NIL Lakhs).

(b) Refer note 16(b) for information on inventory hypothecation with bankers for the purpose of Working Capital facilities.

Note 8 : Trade Receivables (Current)

	As at March 31, 2025	As at March 31, 2024
Trade Receivables (Refer notes below)	5,196.28	4,611.57
i) Related Parties	-	276.16
ii) Others	5,196.28	4,335.41
Break-up for security details:		
Secured considered good	-	-
Unsecured considered good	5,196.28	4,611.57
Trade Receivables - credit impaired	185.09	94.11
Less: Impairment Allowance	(185.09)	(94.11)
Total	**5,196.28**	**4,611.57**

(a) Trade receivables are measured at amortised cost.

(b) Trade receivables due from private companies in which director of the company, is a director or a member as at 31 March 2025 NIL (31 March 2024 - NIL)

(c) Movement of Impairment Allowance (for expected credit loss under simplified approach)

	₹ in Lakhs
As at 31 March 2024	**94.11**
Allowance made/(reversed) during the year	90.98
As at 31 March 2025	**185.09**

Note 9 : Cash and Cash Equivalents

	As at March 31, 2025	As at March 31, 2024
Balance with Bank		
Current accounts and debit balance in cash credit accounts	38.77	71.75
Cheques on hand	-	-
Cash on hand	0.89	12.58
Total	**39.66**	**84.33**

Note 12b : Other Bank Balances

	As at March 31, 2025	As at March 31, 2024
Deposits with original maturity of more than three months but less than 12 months	8.26	
Total	**8.26**	**-**

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Note 10 : Loans (Current)

	As at March 31, 2025	As at March 31, 2024
Loans to Related Parties	-	-
Loans to employees	12.92	15.83
Total	**12.92**	**15.83**

(a) Loans are measured at amortised cost.

(b) Loans are non-derivative financial assets carried at amortised cost which generate a fixed or variable interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

Note 11 : Other Financial Assets (Current)

	As at March 31, 2025	As at March 31, 2024
Security deposits		
Unsecured, considered good	-	-
Doubtful	-	-
Less : Loss allowance for doubtful deposits	-	-
FD interest receivable	0.16	0.21
Fixed deposits with bank	1.49	10.70
Export incentive receivable	36.99	19.59
Total	**38.64**	**30.50**

(a) Other financial assets are measured at amortised cost.

Note 12 : Current Tax Assets (net)

	As at March 31, 2025	As at March 31, 2024
Tax paid in advance (Net of provision)	-	31.04
Total	**-**	**31.04**

Note 13 : Other Current Assets

Authorised Share Capital

Equity shares of ₹ 10 each

	As at March 31, 2025	As at March 31, 2024
Advance to suppliers	**290.45**	**160.20**
Unsecured, considered good	290.45	160.20
Sales tax / VAT / GST receivable	178.10	103.79
Prepaid expenses	25.49	18.49
Balance with direct tax department	0.15	0.15
Total	**494.19**	**282.63**

14 Share capital

Authorised Share Capital

Equity shares of ₹ 10 each

	As at March 31, 2025	As at March 31, 2024
As at 01 April 2023	1,370,000	137.00
Increase/(decrease) during the year	-	-
As at 01 April 2024	**1,370,000**	**137.00**
Increase/(decrease) during the year	-	-
As at 31 March 2025	**1,370,000**	**137.00**

(b) Terms/ rights attached to equity shares

The Company has only one class of equity shares having a par value of 10 each. Each equity shareholder is entitled to one vote per share and has a right to receive dividend as recommended by Board of Directors subject to the necessary approval from the shareholders.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued and Subscribed Share Capital

Equity shares of ₹ 10 each

	As at March 31, 2025	As at March 31, 2024
As at 01 April 2023	**1,368,000**	**136.80**
Changes during the year	-	-
As at 01 April 2024	**1,368,000**	**136.80**
Changes during the year	-	-
As at 31 March 2025	**1,368,000**	**136.80**

Subscribed and fully paid up

Equity shares of ₹ 10 each

	As at March 31, 2025	As at March 31, 2024
As at 01 April 2023	**1,368,000**	**136.80**
Changes during the year	-	-
As at 01 April 2024	**1,368,000**	**136.80**
Changes during the year	-	-
As at 31 March 2025	**1,368,000**	**136.80**

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

	As at 31st March 2025		As at 31st March 2024	
Particulars	**No. of shares**	**% of shareholding**	**No. of shares**	**% of shareholding**
Apurva Shah	241,815	17.68	493,500	36.07
Rajiv Parikh	205,065	14.99	418,500	30.59
Fabtech Technologies Private Limited	223,440	16.33	456,000	33.33
Thermax Limited	697,677	51.00	-	-

Shares held by promoters* as at

As at 31st March 2025			
	No. of Shares	**% of total Shares**	**% change during the period**
1. Apurva Shah	241,815	17.68	-18.40
2. Rajiv Parikh	205,065	14.99	-15.60
Total	446,880	33%	-34%

As at 31st March 2024			
	No. of Shares	**% of total Shares**	**% change during the period**
1. Apurva Shah	493,500	36.07	0%
2. Rajiv Parikh	418,500	30.59	0%
Total	912,000	67%	0%

*Promoter here means promoter as defined in the Companies Act, 2013.

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Note 15 : Other Equity

	As at March 31, 2025	As at March 31, 2024
Securities Premium	294.40	294.40
Opening Balance	294.40	294.40
Add/(Less) during the year	-	-
General Reserve/Retained Earnings	3,390.90	3,163.44
Opening Balance	3,163.44	2,603.77
Add : Profit for the year	228.45	566.36
Add : Other Comprehensive Income/(Loss)	(0.99)	(6.69)
Less : Appropriations		
Transferred to general reserve	-	-
Final dividend	-	-
Interim dividend	-	-
Total	**3,685.30**	**3,457.84**

Other Reserves

	As at March 31, 2025	As at March 31, 2024
Securities Premium	294.40	294.40
General Reserve /Retained Earnings	3,390.90	3,163.44
Total	**3,685.30**	**3,457.84**

Note 16 : Borrowings (Non-current)

	As at March 31, 2025	As at March 31, 2024
Secured loans from Bank	6.29	392.89
Car Loan from IDFC First Bank Limited	9.79	32.20
Term Loan from IDFC First Bank Limited	-	11.76
Term Loan from IDFC First Bank Limited	-	65.14
Term Loan from IDFC First Bank Limited	-	352.33
Loan from Director	-	
Less: Current maturities of long term debts	(3.50)	(68.54)
Total	**6.29**	**392.89**

(a) Loans are measured at amortised cost.

(b) Term Loans from Banks

During the year, the term loans from banks were repaid as per their respective schedules. The repayment obligations for the upcoming 12 months have been accounted for under current maturity of long-term debts. All installments were paid on time, adhering to the agreed terms and interest rates.

(c) Maturity profile of term loans from Banks (Current and Non-current)

	As at March 31, 2025	As at March 31, 2024
Upto three months	-	9.67
More than three months up to one year	-	51.77
More than one year up to three years	-	143.38
More than three years up to five years	-	111.94
More than five years	-	112.46

(d) Loan for purchase of vehicles - Banks

Loans for purchase of vehicles are secured against Hypothication of vehicles

(e) Maturity profile of vehicle loans from Banks and NBFC (Current and Non-current)

	As at March 31, 2025	As at March 31, 2024
Upto three months	-	1.71
More than three months up to one year	3.50	5.38
More than one year up to three years	6.29	15.59
More than three years up to five years		8.27
More than five years		1.23

(f) Disclosure on Utilization of Borrowed Funds

No borrowings from banks and financial institutions have been used for purposes other than the specific purpose for which it was taken at the balance sheet date

(g) Disclosure for Secured Borrowings

The Company has borrowings from banks or financial institutions on the basis of security of current asset and the quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts

Note 17 : Lease Liabilities (Non-current)

	As at March 31, 2025	As at March 31, 2024
Lease liabilities	92.14	123.91
Total	**92.14**	**123.91**

Note 18 : Other Financial Liabilities (Non-current)

	As at March 31, 2025	As at March 31, 2024
Deposits/ Retentions from customers and others	-	-
Total	**-**	**-**

(a) Other financial liabilities are measured at amortised cost.

(b) Refer note 35.12 for fair value disclosure of financial assets and financial liabilities and fair value hierarchy.

Note 19 : Provisions (Non-current)

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits	**99.99**	**84.09**
Provision for gratuity	99.99	76.45
Provision for compensated absence	-	7.64
Provision for pension and other retirement benefits	-	-
Other provisions	**62.77**	**30.43**
Provision for warranty	62.77	30.43
Total	**162.76**	**114.52**

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Note 20 : Borrowings (Current)

	As at March 31, 2025	As at March 31, 2024
Secured loans	2,169.60	1,477.18
Working capital facilities	2,166.10	1,408.64
IDFC First Bank Limited	-	1,148.59
CITI Bank (CC / WCDL)	2,165.80	
Bank of India Overdraft	0.30	-
IDFC First Bank Limited - MSME Loan	-	200.71
IDFC First Bank Limited - Packing Credit Facility (INR)	-	59.34
Current maturities of non-current borrowings	3.50	68.54
Unsecured loans	-	-
From directors, shareholders and their relatives	-	-
Commercial paper		
Total	**2,169.60**	**1,477.18**

(a) Borrowings are measured at amortised cost.

(b) During the year under review, the Company has been sanction the various Credit Facilities by Citi Bank Limited, Mumbai including Working Capital Demand Loan (WCDL), Packing Credit in INR/Foreign Currency, BG-Financial /Performance, Letter of Credit, Cash Credit Facility.

Note 21 : Lease Liabilities (Current)

	As at March 31, 2025	As at March 31, 2024
Lease liabilities	32.06	51.90
Total	**32.06**	**51.90**

Note 22 : Trade and Other Payables (Current)

	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	463.63	631.77
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,721.64	1,319.08
Total	**2,185.27**	**1,950.85**

(a) Trade and other payables are measured at amortised cost.

(b) Ageing schedule for trade payable

As at 31 March 2024						
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Payable	1,297.85	876.68	10.73	-	-	2,185.26
- MSME - Micro & Small	252.99	210.63	-	-	-	463.62
- Others including Medium	1,044.86	666.05	10.73	-	-	1,721.64
(ii) Disputed Trade Payable	-	-	-	-	-	-
- MSME - Micro & Small	-	-	-	-	-	-
- Others including Medium	-	-	-	-	-	-
(iii) Unbilled Dues						
Total (i+ii+iii)	**1,297.85**	**876.68**	**10.73**	**-**	**-**	**2,185.26**

As at 31 March 2024						
Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade Payable	657.11	1,292.36	1.38	-	-	1,950.85
- MSME - Micro & Small	136.90	494.87	-	-	-	631.77
- Others including Medium	520.21	797.49	1.38	-	-	1,319.08
(ii) Disputed Trade Payable	-	-	-	-	-	-
- MSME - Micro & Small	-	-	-	-	-	-
- Others including Medium	-	-	-	-	-	-
(iii) Unbilled Dues						
Total (i+ii+iii)	**657.11**	**1,292.36**	**1.38**	**-**	**-**	**1,950.85**

Note 23 : Other financial liabilities (Current)

	As at March 31, 2025	As at March 31, 2024
Employee benefits payable	111.10	85.44
Interest Accrued and due	-	-
Other payables	9.65	67.67
Total	**120.75**	**153.11**

(a) Other financial liabilities are measured at amortised cost.

Note 24 : Provisions (Current)

	As at March 31, 2025	As at March 31, 2024
Provision for employee benefits	24.82	3.06
Provision for gratuity	6.71	2.55
Provision for compensated absence	18.11	0.51
Provision for pension and other retirement benefits	-	-
Others	-	-
Provision for warranty	-	-
Other Provision	-	-
Total	**24.82**	**3.06**

(a) Employee benefits obligations

i) Gratuity

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

ii) Compensated absences

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

Note 24(a) : Income Tax Liabilities (Current)

	As at March 31, 2025	As at March 31, 2024
Tax provision (Net of tax paid in advance)	38.26	-
Total	**38.26**	**-**

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Note 25 : Other Current Liabilities

	As at March 31, 2025	As at March 31, 2024
Advance from customers	2,150.56	1,068.78
Statutory dues	25.85	24.63
Interest payable under MSME	-	103.96
Advance for Site Expenses (current)	8.33	-
Unsecured, considered good	-	0.11
Total	**2,184.74**	**1,197.48**

Note 26 : Revenue from Operations

	For the year ended 31st March 2025	For the year ended 31st March 2024
Sales and services	**12,934.47**	**12,171.65**
Sale of products	**12,692.47**	**12,029.62**
Domestic	233.25	123.47
Exports	8.75	18.56
Sale of services	**242.00**	**142.03**
Domestic	233.25	123.47
Exports	8.75	18.56
Other operating income	**30.79**	**11.46**
Sale of scrap		
Commission received		
Export incentives	30.79	11.46
Sundry credit balances written back		
Provisions no longer required written back		
Provision for doubtful debts and advances written back	-	
Miscellaneous receipts		
Total	**12,965.26**	**12,183.11**

Note 27 : Other Income

	For the year ended 31st March 2025	For the year ended 31st March 2024
Interest on income tax refund	1.34	-
Interest income on financial assets measured at amortised cost		
Bank Deposits	2.07	1.86
Unwinding of interest on security deposits	1.61	1.48
Other financial assets	-	-
Dividend income from equity investments designated at fair value through other comprehensive income	0.15	0.27
Net Gain/(loss) on disposal of property, plant & equipment	-	1.28
Exchange gain/(loss) on translation of assets and liabilities	21.04	20.22
Bad debts and irrecoverable balances written back	-	10.24
Insurance Claim	14.49	
Total	**40.70**	**35.35**

Note 28 : Cost of Raw Materials and Components Consumed

	For the year ended 31st March 2025	For the year ended 31st March 2024
Inventories at the beginning of the year	1,680.50	630.27
Add : Purchases	9,359.53	8,914.40
Inventories at the end of the year	(2,135.86)	(1,680.50)
Total	**8,904.17**	**7,864.17**

Note 29 : Changes in Inventories of Finished Goods, Work-in-Progress and Traded Goods

	For the year ended 31st March 2025	For the year ended 31st March 2024
Opening Inventory	**1,180.06**	**1,588.50**
Work-in-process	1,145.90	1,250.15
Finished goods	34.16	338.35
Traded goods	-	-
Closing Inventory	**1,375.31**	**1,180.06**
Work-in-process	659.92	1,145.90
Finished goods	715.39	34.16
Traded goods	-	-
(Increase)/Decrease in inventory	(195.25)	408.44
Total	**(195.25)**	**408.44**

Note 30 : Employee Benefits Expense

	For the year ended 31st March 2025	For the year ended 31st March 2024
Salaries, wages, bonus, commission, etc.	1,022.37	757.78
Gratuity	26.38	19.71
Contribution to provident and other funds	38.48	29.23
Welfare and training expenses	20.27	18.58
Total	**1,107.50**	**825.30**

Note 31 : Finance Costs

	For the year ended 31st March 2025	For the year ended 31st March 2024
Interest on loans	147.72	118.16
Interest on lease liabilities	13.73	17.58
Other finance cost	68.61	34.25
Total	**230.06**	**169.99**

Note 32 : Depreciation and Amortization Expense

	For the year ended 31st March 2025	For the year ended 31st March 2024
Depreciation on tangible assets	40.10	68.31
Depreciation on ROU assets	53.62	53.62
Amortization on intangible assets	-	-
Total	**93.72**	**121.93**

Note: The Company has adopted the straight-line method of depreciation with effect from 1st April 2024. Change in method of depreciation is considered as a change in accounting estimate and thus, no retrospective restatement of figures has been carried out.

TSA PROCESS EQUIPMENTS PRIVATE LIMITED

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Note 33 : Other Expenses

	For the year ended 31st March 2025	For the year ended 31st March 2024
Operating expenses	**1,645.47**	**1,262.05**
Stores consumed	-	-
Power and electricity	18.11	17.90
Process charges/Labour charges	798.66	643.12
Site installation charges	721.07	560.90
Other factory overheads	99.35	26.45
Repairs and maintenance - Factory	0.89	2.42
Repairs and maintenance - Site machine	7.39	6.69
Repairs and maintenance - Other	-	4.57
Selling expenses	**556.25**	**295.47**
Brokerage and commission on sales	95.25	77.07
Freight and forwarding charges	188.82	96.44
Warranty	32.34	30.43
Business promotion expenses	133.83	16.97
Advertisement and Exhibition expenses	5.73	64.38
Provision for doubtful debts and advances (net) (Including expected credit loss)	100.28	10.18
Others selling expenses	-	-
Administration expenses	**305.59**	**488.63**
Rent	1.20	1.14
Rates and taxes	4.42	2.33
Insurance	19.58	20.28
Computer Maintenance	-	-
Other repairs and maintenance	7.04	3.86
Travelling and conveyance	82.56	75.16
Postage and Courier	19.26	17.87
Telephone and Internet Expenses	3.52	3.66
Printing and stationery	12.12	8.21
Legal and professional expenses	75.57	263.83
Auditor's remuneration	14.59	3.50
Donations	-	0.16
Spend on CSR activities	20.00	16.00
Bank charges/Commission	4.57	4.67
Electricity expenses - Office	5.16	4.67
Membership and subsciption	-	0.20
MSME interest	-	41.17
Miscellaneous expenses	36.00	21.92
Net Loss on assets sold, demolished, discarded and scrapped	-	-
Bad debts and irrecoverable balances written off	-	-
Loss on exchange difference (net)	-	-
Total	**2,507.31**	**2,046.15**

Note 34 : Tax Expense

The note below details the major components of income tax expenses for the period ended 31 Mar 2025 and 31 March 2024. The note further describes the significant estimates made in relation to company's income tax position, and also explains how the income tax expense is impacted by non-assessable and non-deductible items.

	For the year ended 31st March 2025	For the year ended 31st March 2024
Current tax	**141.30**	**266.45**
Current income tax	140.00	266.45
(Excess)/short provision related to earlier years	1.30	-
Deferred tax	**(11.30)**	**(50.35)**
Relating to origination and reversal or temporary difference	(11.30)	(50.35)
Income tax expense reported in the statement of profit and loss	**130.00**	**216.10**

Other Comprehensive Income (OCI)

	For the year ended 31st March 2025	For the year ended 31st March 2024
Deferred tax related to items recognised in OCI during the year		
Net (loss)/gain on actuarial gains and losses	0.33	2.25
Deferred tax charged to OCI	**0.33**	**2.25**

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the period ended 31 March 2025 and 31 March 2024

	For the year ended 31st March 2025	For the year ended 31st March 2024
Accounting profit/(loss) before income tax expense	**358.45**	**782.46**
Tax Rate (%)	25.168	25.168
Tax ()	90.21	196.93
Tax effect of adjustments in calculating taxable income:	39.79	19.17
At the effective income tax rate of 25.168% (31 March 2024 : 25.168%)	**130.00**	**216.10**

Note 35.1 : Share Purchase Agreement between M/s TSA Process Equipments Private Limited and M/s Thermax Limited

The Parent Company i.e. Thermax Limited had entered into a share purchase agreement ("SPA") and a Shareholders Agreement ("SHA") on February 06, 2024 with TSA Process Equipments Private Limited and its shareholders to acquire 51% equity share of Target subject to conditions precedents to the share purchase agreement ("SPA"). Subsequent to the year end upon fulfilling of the condition's precedents the company has completed acquisition of 51% of the shares of Target on April 19, 2024. (i.e., the closing date) for a consideration of Rs. 71.14 crores. Further, the Parent company has a right to acquire remaining 49% of the shares over a period of two years i.e. FY 2025-26 (Audited Balance Sheet) from the closing date, subject to completion of certain conditions precedents mentioned in share purchase agreement ("SPA").

Note 35.2 : Capital and Other Commitments

(i) Estimated amount of Contracts remaining to be executed on capital account and not provided for (Net of advances) as on 31st March 2025 is 89.55 Lakh (31st March 2024 Rs 33.92 lakhs)

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Note 35.3 : Leases

a. Profit and Loss information

Depreciation charge on right-of-use assets:

Particulars	Current Year 2024-25	Previous Year 2023-24
Buildings	53.64	53.62
Total	**53.64**	**53.62**

Interest expense on lease liabilities

Particulars	Current Year 2024-25	Previous Year 2023-24
Buildings	13.73	17.58
Total	**13.73**	**17.58**

b. Maturity analysis of lease liabilities*

Particulars	Current Year 2024-25	Previous Year 2023-24
Less than 1 year	32.06	51.90
Between 1 year to 5 years	92.14	123.91
More than 5 years	-	-

*Excluding interest to be accrued and paid after reporting date

c. Total cash outflow for leases

Particulars	Current Year 2024-25	Previous Year 2023-24
Payment of lease liabilities (including advance payments)	65.34	66.52
Short term leases and low-value asset leases not included in the measurement of the liabilities	-	-
Total	**65.34**	**66.52**

d. Other information

Nature of leasing activity

The Company has leases for Factory and Office Buildings. Lease contracts provide for payments to increase each year at a specified rate. The Company has entered into binding lease agreements coming into effect from 16th March, 2022 to 15th March, 2027 for Office building for 05 years which has lock in period up to 15th March, 2025 and from 1st April, 2023 to 31st March 2028 Factory Land with a lock-in-period having condition of 6 months notice in case of Early Leave.

Extension and termination options

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

Note 35.4 : Payment to Auditors (Net of Taxes)

Sr. No.	Particulars	Current Year 2024-25	Previous Year 2023-24
A.	Statutory Auditors		
	a. As Auditors		
	Audit & Assurance Fees	9.90	2.75
	Tax Audit Fees	0.75	0.75
	b. Certification fees & Other Services	-	1.25
	c. Reimbursement of expenses		-
	Total	**10.65**	**4.75**

Note 35.5 : Expenditure on CSR Activities

Sr. No.	Particulars	Current Year 2024-25	Previous Year 2023-24
a)	Gross amount required to be spent by the company during the year	19.97	15.59
b)	Actual Expenditure during the year	20.00	16.00
c)	Shortfall (if any) during the year	0	-
d)	Shortfalls during Previous Year	0	-
e)	Reason for Shortfall	0	-
f)	**Details of CSR Activities :** Women empowerment, medical and Health Care, Rural Development, Education, Food, Grocery & Cloths Distribution and The Livelihood for the needy person etc.		-
g)	Details of related party transactions in relation to CSR expenditure		-

Note 35.6 : Disclosures pursuant to Employee benefits

A. Defined contribution plans:

Amount of ₹ 38.48 Lakhs (31 March 2024 : ₹ 29.23 Lakhs) is recognised as expenses and included in Note No. 29 "Employee Benefits Expense

B. Defined benefit plans:

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

(a) Gratuity

March 31, 2025 : Changes in defined benefit obligation and plan assets

	April 1, 2024	Gratuity cost charged to statement of profit and loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	March 31, 2025
		Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	79.00	20.69	5.69	26.38	-	-	-	3.79	(2.47)	1.32		106.70
Benefit liability	79.00	20.69	5.69	26.38	-	-	-	3.79	(2.47)	1.32	-	106.70
Total benefit liability	**79.00**	**20.69**	**5.69**	**26.38**	**-**	**-**	**-**	**3.79**	**-2.47**	**1.32**	**-**	**106.70**

March 31, 2024 : Changes in defined benefit obligation and plan assets

	April 1, 2024	Gratuity cost charged to statement of profit and loss			Benefit paid	Remeasurement gains/(losses) in other comprehensive income					Contributions by employer	March 31, 2025
		Service cost	Net interest expense	Sub-total included in statement of profit and loss (Note 30)		Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in demographic assumptions	Actuarial changes arising from changes in financial assumptions	Experience adjustments	Sub-total included in OCI		
Gratuity												
Defined benefit obligation	50.36	15.98	3.73	19.71	-	-	-	8.94	-	8.94		79.00
Benefit liability	50.36	15.98	3.73	19.71	-	-	-	8.94	-	8.94	-	79.00
Total benefit liability	**50.36**	**15.98**	**3.73**	**19.71**	**-**	**-**	**-**	**8.94**	**-**	**8.94**	**-**	**79.00**

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

Particulars	March 31, 2025	March 31, 2024
Discount rate	6.90 %	7.20 %
Future salary increase	7.00 %	7.00 %
Normal retirement age	60 years	60 years
Mortality	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Withdrawal rate	1% - 5%	1% - 5%

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

Gratuity

Particulars	Sensitivity level	(increase) / decrease in defined benefit obligation	(increase) / decrease in defined benefit obligation
		March 31, 2025	March 31, 2024
Discount rate	1% increase	94.86	70.18
	1% decrease	121.02	-89.61
Future salary increase	1% increase	118.38	-87.25
	1% decrease	96.95	72.10
Withdrawal rate	1% increase	107.02	-79.58
	1% decrease	106.37	78.38

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

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

Particulars	March 31, 2025	March 31, 2024
Within the next 12 months (next annual reporting period)	6.71	2.55
Between 2 and 5 years	15.84	12.68
Beyond 5 years	111.06	95.37
Total expected payments	**133.61**	**110.60**

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

Particulars	As at 31 March 2025	As at 31 March 2024
Gratuity	18.98	18.48

C. Risk Exposure

Gratuity is a defined benefit plan and Company is exposed to the following Risks:

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.

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 uncertainities in estimating this increasing risk.

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.

Unfunded Plan Risk : This represents unmanaged risk and a growing liability. There is an inherent risk here that the company may default on paying the benefits in adverse circumstances. Funding the plan removes volatility in company's financials and also benefit risk through return on the funds made available for the plan.

Compensated absences/ leaves

Other long term employee benefits comprise of compensated absences/ leaves, which are recognised based on actuarial valuation. The actuarial liability for compensated absences as at the year ended 31st March 2025 is Rs 18.11 Lakhs (previous year Rs 08.15 Lakhs).

Note 35.7 : Disclosures pursuant to The Micro, Small and Medium Enterprises Development Act 2006

The Company has amounts due to suppliers under The Micro, Small and Medium Enterprises Development Act 2006 (MSMED Act) as at 31 Mar 2025. The disclosure pursuant to the said Act is as under:

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	Current Year 2024-25	Previous Year 2023-24
Total outstanding to MSME suppliers (Excluding Interest & Advance)	299.25	631.77
Payment made to suppliers (other than interest) beyond the appointed day, during the year	667.14	1,301.18
Interest due and payable to suppliers under MSMED Act, 2006 for the payments already made	163.96	37.02
Interest due on principal amount remaining unpaid	0.42	4.15
Interest accrued and remaining unpaid at the end of the year to suppliers under MSMED Act, 2006	164.38	41.17

Note 35.8 : Segment information

a. Based on the guiding principles in "Ind AS 108- Operating Segments", the Company's business activity falls within one operating segment and therefore no separate segment information is disclosed.

Information of geographical areas -

Sales revenue by geographical markets

Particulars	Current Year 2024-25	Previous Year 2023-24
Within India	9,931.75	7,738.52
Outside India	3,002.73	4,433.13
Sub - Total	**12,934.47**	**12,171.65**
Add : Export Incentive	30.79	11.46
Total	**12,965.26**	**12,183.11**

b. Non current assets by geographical segments*

Particulars	Current Year 2024-25	Previous Year 2023-24
Within India	1442.62	1,059.66
Outside India	-	-
Total	**1,442.62**	**1,059.66**

*Non current assets includes all non-current assets other than financial instruments and deferred tax assets

Note 35.9 : Related parties

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

(A) Description of Related Parties

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

Sr. No.	Name of the entity	Place of business/ Country of incorporation
1	Holding Company	Thermax Limited
2	Associate Company (till 19th April, 2024)	Fabtech Technologies Private Limited
3	Entity controlled by Key Managerial Personnel & their relatives	Electrofine Enterprises
		MBS Engineering

ii) Key Management Personnel and their relatives:

Sr. No.	Name	Name of Relatives	Relationship
1	Apurva Amarnath Shah - Director	Amarnath Shah	Father
		Varsha Shah	Mother
		Sonal Shah	Wife
		Tvisha Shah	Daughter
		Upendra Parikh	Father
2	Rajiv Upendra Parikh - Director	Rohini Parikh	Mother
		Monali Parikh	Wife

(B) Transactions with Related Parties*

Sr. No.	Particulars	Current Year 2024-25	Previous Year 2023-24
1	**Sale of Goods / Services**		
	Associate		
	Fabtech Technologies Private Limited	-	969.34
	Thermax Limited	110.00	
	Total	**110.00**	**969.34**
2	**Purchases**		
	Entity controlled by Key Managerial Personnel & their relatives		
	Electrofine Enterprises	67.87	53.02
	MBS Engineering	-	0.17
	Thermax Limited	42.67	-
	Total	**110.54**	**53.19**
3	**Capital Tangible Assets Purchase**		
	Thermax Limited	20.66	-
	Total	**20.66**	**-**
4	**Capital Intangible Assets Purchase**		
	Thermax Limited	43.60	-
	Total	**43.60**	**-**
3	**Salary Paid**		
	Key Managerial Persons & their Related Parties		
	Sonal Apurva Shah	-	18.00
	Upendra Parikh	-	10.00
	Varsha Shah	-	6.00
	Monali Parikh	-	13.76
	Rohini Parikh	-	3.00
	Tvisha Shah	-	6.53
	Amarnath Shah	-	6.00
	Total	**-**	**63.29**
4	**Rent Paid**		
	Key Managerial Persons & their Related Parties		
	Rajiv Upendra Parikh	5.98	5.98
	Apurva Amarnath Shah	5.98	5.98
	Monali Parikh	1.20	1.20
	Total	**13.16**	**13.16**
5	**Director Remuneration**		
	Key Managerial Persons & their Related Parties		
	Rajiv Upendra Parikh	66.48	27.67
	Apurva Amarnath Shah	82.44	30.00
	Total	**148.92**	**57.67**

*All amounts above are exlcusive of applicable taxes

Notes to the financial statements for the year ended March 31, 2025

((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Outstanding Balances

Sr. No.	Particulars	Current Year 2024-25	Previous Year 2023-24
1	**Accounts Payable**		
1(a)	**Entity controlled by Key Managerial Personnel of Entity Electrofine Enterprises**		
	Job Work Charges/Purchase	28.47	14.66
	MBS Engineering	0.09	0.20
	Thermax Ltd.	15.96	-
	Sub-Total	**44.52**	**14.86**
1(b)	**Capital Payable**		
	Entity controlled by Key Managerial Personnel of Entity		
	Thermax Ltd.	44.47	-
	Sub-Total	**44.47**	**-**
1(c)	**Key Managerial Persons & their Related Parties**		
1(c)(i)	**Salary Payable**		
	Upendra Parikh	-	0.81
	Sonal Apurva Shah	-	1.29
	Amarnath Shah	-	0.51
	Varsha Shah	-	0.51
	Monali Parikh	-	1.05
	Rohini Parikh	-	0.25
	Tvisha Shah	-	0.52
	Sub-Total	**-**	**4.94**
1(c)(ii)	**Rent Payable**		
	Rajiv Upendra Parikh	1.08	-
	Monali Parikh	-	0.50
	Apurva Shah	0.45	-
	Sub-Total	**1.53**	**0.50**
1(c)(iii)	**Director Remuneration**		
	Apurva Amarnath Shah	4.19	-
	Rajiv Upendra Parikh	3.94	1.76
	Sub-Total	**8.13**	**1.76**
	Total - Accounts Payable	**98.65**	**22.06**

Terms and conditions of transactions with related parties

Transactions entered into with related party are made in ordinary course of business and on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. There have been no guarantees provided or received for any related party receivables or payables. This assessment is undertaken during each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

As on 31 March 2025, the Company does not have any commitments towards its related parties (31 March 2024 : Nil)

Transactions with key management personnel

Sr. No.	Particulars	Current Year 2024-25	Previous Year 2023-24
1	Rent Paid	11.96	11.96
2	Director Remuneration	148.92	57.67
	Total compensation paid to key management personnel	**160.88**	**69.63**

Note 35.10 : Earnings Per Share (Basic and Diluted)

Particulars	Current Year 2024-25	Previous Year 2023-24
Profit for the year after tax (₹ in Lakhs)	228.45	566.36
Total number of equity shares at the end of the year (One Equity share of face value of ₹10/- each)	13,68,000	13,68,000
Weighted average number of equity shares for the purpose of computing Earnings Per Share	13,68,000	13,68,000
Basic Earnings Per Share (in ₹)	16.70	41.40
Diluted Earnings Per Share (in ₹)	16.70	41.40

Earnings per share are calculated in accordance with Indian Accounting Standard (Ind AS) 33, "Earnings Per Share".

Note 35.11 Revenue recognition

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

Particulars	Current Year 2024-25	Previous Year 2023-24
Domestic Business	9,931.75	7,738.52
Export Business	3,002.73	4,433.13
Total	**12,934.47**	**12,171.65**

(b) The Company generally recognizes revenue when the performance obligation is satisfied at a point in time when the control is transferred i.e. either on shipment or upon delivery. The payment is due from the date of sales and are generally on terms of 0 days to 120 days.

(c) The Company is in the business of design and manufacturing of water system & process equipment for optimal purity and manufacture them with high-quality materials for supply of high purity applications in Pharmaceutical, Biotech & Food Beverage Industries.

(d) The Company provides to its customers warranties in the forms of repairs or replacement under its standard terms for certain categories of products and recognizes a warranty provision as per Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets"

(e) As on 31st March, 2025, the Company does not have any unsatisfied performance obligation Nil (31 March 2024 : Nil).

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

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

Particulars	Current Year 2024-25	Previous Year 2023-24
Revenue as per Contract	12,934.47	12,171.65
Less : Discounts and Incentives	-	-
Total	**12,934.47**	**12,171.65**

Note 35.12 : Fair value disclosures for financial assets and financial liabilities

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

Note 35.13 : Financial instruments risk management objectives and policies

The Company's principal financial liabilities comprise borrowings, trade and other payables and other financial liabilities. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include investments, loans, trade and other receivables, cash and cash equivalents and other financial assets that have been derived directly from its operations. The Company has not entered into any derivative transactions.

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

a) Market risk

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

The sensitivity analysis in the following sections relate to the position as at 31 March 2025. The analysis exclude the impact of movements in market variables on the carrying values of gratuity provisions.

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

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

(i) Interest rate risk

a. Exposure

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

Particulars	Current Year 2024-25	Previous Year 2023-24
Long Term Fixed Interest Loans		-
Short Term Fixed Interest Loans		-
Long Term Floating Interest Loans	9.79	461.43
Short Term Floating Interest Loans	**2,166.10**	**1,408.64**

b. Interest Rate Sensitivity

Particulars	Effect on profit before tax	Effect on pre-tax equity
March 31, 2025	**-10.88**	**(10.88)**
	10.88	**10.88**
March 31, 2024	(9.35)	(9.35)
	9.35	9.35

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

ii) Foreign currency risk

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

Amounts in Foreign Currencies

Nature of Exposure	Currency	Current Year 2024-25	Previous Year 2023-24
Receivable	USD	9,78,455.90	10,13,612.88
	EUR		34,872.63
Payable	USD	75,779.00	-
	EUR		150.72

The Company does not have hedging for foreign currency transactions related to sales & purchases.

iii) Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the on-going purchase of stainless steel and other allied materials. However, Company being the indirect user of these commodities, volatility in price of such commodity does not have direct or immediate impact on the profitability of the company. Hence, the Company does not foresee any direct or immediate risk with respect to such commodity price fluctuation.

iv) Other price risk

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

b) Credit risk

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

Trade receivables

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

credit assurance schemes.

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

Financial instruments and cash deposits

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

c) Liquidity risk

The Company monitors its risk of a shortage of funds using a liquidity planning tool. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank overdrafts, bank loans. The Company has access to a sufficient variety of sources of funding and debt maturing within 12 months can be rolled over with existing lenders.

Excessive risk concentration

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

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

(i) The table below summarizes the maturity profile of the Company's financial liabilities (Excluding interest to be accrued and paid after reporting dates) :

Particulars	On demand	Less than 3 months	3 months to 1 year	1 year to 5 years	More than 5 years	Total
Year ended 31 March 2025						
Interest bearing borrowings	2,166.10	-	3.50	6.29	-	2,175.89
Lease Liability	-	8.01	24.04	92.14	-	124.20
Other financial liabilities	-	99.94	20.82	-	-	120.76
Trade payables	887.41	1,297.86	-	-	-	2,185.27
Total	**3,053.51**	**1,405.81**	**48.36**	**98.43**	**-**	**4,606.12**
Year ended 31 March 2024						
Interest bearing borrowings	1,408.64	-	-	102.81	358.62	1,870.06
Lease Liability	-	12.38	39.30	124.13	-	175.81
Other financial liabilities	85.44	-	-	-	-	85.44
Trade payables	1,293.71	657.13	-	-	-	1,950.84
Total	**2,787.79**	**669.51**	**39.30**	**226.93**	**358.62**	**4,082.16**

(ii) Net debt reconciliation

This section sets out an analysis of net debt and the movements in net debt for the year ended 31 March 2025.

Particulars	Current Year 2024-25	Previous Year 2023-24
Cash and cash equivalents	39.66	84.33
Current borrowings	(2,169.60)	(1,477.18)
Non-current borrowings	-	(392.89)
Net debt	**(2,129.94)**	**(1,785.73)**

Particulars	Cash and cash equivalents	Current borrowings	Non-current borrowings	Total
Net debt as on 1 April 2023	**319.84**	**(1,212.13)**	**(108.85)**	**(1,001.14)**
Cash flows	(235.51)	(265.04)	(284.04)	(784.59)
Net debt as on 31 March 2024	**84.33**	**(1,477.18)**	**(392.89)**	**(1,785.73)**
Cash flows	(44.67)	(692.43)	392.89	(344.21)
Net debt as on 31 March 2025	**39.66**	**(2,169.60)**	**-**	**(2,129.94)**

Note : Capital management

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

Note 35.14 : Utilization of Borrowed funds and share premium :

a) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

b) No funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Notes to the financial statements for the year ended March 31, 2025
((All amounts in Rupees Lakh, except per share data and unless stated otherwise.)

E Transactions during the period

Ratios	**Numerator**	**Denominator**	**Description**	**As at 31 March 2025**	**As at 31 March 2024**	**% of variance**
Current Ratio	Current Assets	Current Liability	The current ratio indicates Company's overall liquidity position	1.38	1.64	-16%
Debt-Equity Ratio	Total Debt	Shareholder's Equity	Debt-to-equity ratio compares Company's total debt to shareholders equity	0.57	0.52	9%
Debt Service Coverage Ratio	Earnings available for debt service	Debt Service	Debt Service coverage ratio is used to analyze the Company's ability to payoff current interest and instalments	(0.75)	(3.72)	-80%
Return on Equity Ratio	Net profits after taxes - Preference Dividend (if any)	Average Shareholder's Equity	It measures the profitability of equity funds invested in the Company	6%	17%	-64%
Inventory turnover ratio	Cost of Goods sold	Average Inventory	This ratio measures the efficiency with which a Company utilizes or manages its inventory	2.73	3.26	-16%
Trade Receivables turnover ratio	Net Credit Sales	Average Trade Receivables	This ratio measures the efficiency at which the Company is managing the receivables	2.64	2.79	-5%
Trade payables turnover ratio	Net Credit Purchases	Average Trade Payables	This ratio indicates the number of times sundry creditors have been paid during a period	4.53	5.16	-12%
Net capital turnover ratio	Net Sales	Working Capital	This ratio indicates a company's effectiveness in using its working capital	5.09	3.95	29%
Net Profit Ratio	Net Profit	Total Sales	This ratio measures the relationship between net profit and sales of the business	2%	5%	-62%
Return on Capital employed	Earning before Interest & Tax (PBIT)	Capital Employed	Return on capital employed indicates the ability of a company's management to generate returns for both the debt holders and the equity holders	10%	17%	-44%

Note 35.17 : Details of struck off companies :

Company has not entered into any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of the Companies Act, 1956

Note 35.18 : Compliance with number of layers of Companies :

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017

Note 35.19 : Compliance with approved scheme of Arrangements :

The Company does not have any Scheme of Arrangements approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013

Note 35.20 : Undisclosed income :

There are no transactions that has been not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

Note 35.21 : Details of Crypto Currency or Virtual currency :

There are no transactions that has been not recorded in the books of accounts and has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961

As per our report of even date attached

For B K Khare & Co
Chartered Accountants
Firm Registration No. : 105102W

Amit Mahadik
Partner
Membership No. : 125657
UDIN: 25125657BMLXSA3153

Place: Pune
Date: April 29, 2025

For and on behalf of the Board of Directors of
TSA Process Equipments Private Limited
CIN: U74999MH2004PTC149217

Apurva Shah
Director
DIN : 00150125

Rajiv Parikh
Director
DIN : 01187686

Alpesh Shah
Chief Financial Officer

Vishal Mehra
Director
DIN : 10584624

Place: Pune
Date: April 29, 2025

THERMAX VEBRO POLYMERS INDIA PRIVATE LIMITED

Board of Directors
Mr. Dinesh Mandhana
Mr. Swapnil Dhumane
Mr. Sandeep Deshpande (w.e.f. July 22, 2024)
Mr. Mark Verinder (w.e.f. February 7, 2025)
Mr. Craig Edward Brookes (w.e.f. February 7, 2025)

Registered Office
S No. 14/D, F P No. 32/33, Wakdewadi
Mumbai Pune Road, Khadki, Pune, Pune City,
Maharashtra, India, 411003

Corporate Office
Thermax House, 14
Mumbai-Pune Road,
Wakdewadi, Pune -411003

Key Managerial Personnel
Ravi Varanasi (Chief Executive Officer)
(w.e.f. September 16, 2024)
Arvind Tiwari (Chief Financial Officer)
(w.e.f. February 20, 2025)

Auditors
Price Waterhouse
Chartered Accountants, LLP
7th Floor, Tower A-Wing 1, Business Bay,
Yerwada, Pune – 411006, India

Bankers
ICICI Bank Limited
CitiBank NA

DIRECTORS' REPORT

Dear Shareholders,

The Directors present their First Annual Report of the company for the year ended March 31, 2025.

INCORPORATION

You Company was incorporated on July 18, 2024.

FINANCIAL RESULTS

Particulars	As on 31/03/2025*
Total income	**169.89**
Profit/(Loss) before depreciation	**(363.36)**
Depreciation and Amortisation	**112.56**
Profit/(Loss) before tax	**(475.92)**
Provision for taxation (incl. deferred tax)	**-**
Profit/(loss) after tax	**(475.92)**

**Since this is the first year of the Company, there are no corresponding previous year's figures*

STATE OF COMPANY'S AFFAIRS

The company is a subsidiary of Thermax Chemical Solutions Private Limited.

The Company commenced its commercial operations on July 30, 2024. The Company posted a revenue of Rs. 1.69 crore for the FY 2024-25, with loss of Rs. 4.76 crores.

The Company is focused and engaged in manufacturing, marketing, trading and selling of flooring chemical products in India as well as other neighbouring countries such as Nepal, Bhutan, Afghanistan, Maldives, Indonesia and other SAARC countries. With a robust market reach and technology, the Company has access to wide range of high-quality products for the customers.

MATERIAL CHANGES AFFECTNG FINANCIAL POSITION OF THE COMPANY

No material changes and commitments occurred after the close of the year till the date of this report, which affect the financial position of the Company.

CHANGE IN NATURE OF BUSINESS

There is no change in nature of business during the year under review

HEALTH & SAFETY

The Company is committed to follow highest Safety and Health standards.

DIVIDEND

In view of losses incurred, the directors do not recommend any dividend on equity shares for the year.

AMOUNT PROPOSED TO BE CARRIED TO RESERVES

The company does not propose to transfer any amount to general reserve.

SHARE CAPITAL

The Company has been incorporated with an authorised share capital of Rs. 20 crores. The present paid-up share capital of the Company is Rs.16.18 crores. The members of the Company at their Extra-Ordinary General Meeting held on February 25, 2025, approved issuance of 80,75,000 equity shares on private placement basis to Vebro Polymers Holdings Limited constituting 49.90% of the paid-up share capital of the Company. Accordingly, Thermax Chemical Solutions Private Limited and Vebro Polymers Holdings Limited hold 50.10% and 49.90% equity share capital of the Company respectively.

During the year under review, the Company has not issued shares with differential voting rights nor has granted any stock options or sweat equity.

PUBLIC DEPOSITS

The company has not accepted any deposits under Chapter V of the Companies Act, 2013. Consequently, it has no unpaid / unclaimed deposit(s) as on March 31, 2025.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

During the year company has not given loans, guarantees and investments covered under the provisions of Section 186 and Section 134(3) (g) of Companies Act 2013.

Pursuant to the provisions of Section 67(3)(c) of the Companies Act, 2013, and rules made thereunder, the Company has not given any loan to persons in the employment of the Company including its directors or key managerial personnel, in order to purchase or subscribe shares of the Company.

SUBSIDIARY / ASSOCIATE / JOINT VENTURE COMPANY

Your Company does not have any Subsidiary / Associate / Joint Venture company and there was no change in the position during the financial year 2024-25.

BUSINESS RISK MANAGEMENT

The company has identified and classified its key risks pertaining to the core business and has a broad framework in place for effective risk identification, review and mitigation. The company will continue to actively monitor and strengthen its risk management framework. The company has implemented Legatrix software to track & ensure timely statutory compliances.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS

The Company has adequate internal financial controls and those are operating effectively. Internal Audit is not applicable for the company as per section 138 of the Companies Act, 2013 and Rule 13 of the Companies (Accounts) Rules, 2014.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall under the criteria defined under Section 135 of the Companies Act, 2013 as on March 31, 2025. Hence, the Corporate Social Responsibility provisions are not attracted.

DIRECTORS

Currently, the Board of the company comprises of five Directors. In accordance with the provisions of the Companies Act, 2013 and the company's Articles of Association, Mr. Dinesh Mandhana (DIN: 10646110) and Mr. Swapnil Dhumane (DIN:10646109) retires by rotation, and being eligible, offers themselves for re-appointment as director.

The First Directors of the Company were Mr. Dinesh Mandhana (DIN: 10646110) and Mr. Swapnil Dhumane (DIN: 10646109). During the year, the Board of Directors at their Meeting held on July 22, 2024, appointed Mr. Sandeep Deshpande (DIN: 09748806) as an Additional Director of your Company, subject to the approval of the shareholders. Further, the Board of Directors through their circular resolutions passed on February 7, 2025, appointed Mr. Mark Raymond Verinder (DIN: 10345209) and Mr. Craig Edward Brookes (DIN: 03094677) as Additional Directors of your Company, subject to the approval of the shareholders. The members of the Company at their first Extra-Ordinary General Meeting held on February 25, 2025 approved the appointment of Mr. Sandeep Deshpande (DIN: 09748806), Mr. Mark Verinder (DIN: 10345209) and Mr. Craig Edward Brookes (DIN: 03094677) as Directors of the Company, liable to retire by rotation.

During the year, the paid-up share capital of the Company exceeded Rs. 10 crores, pursuant to issuance and allotment of shares to Vebro Polymers Holdings Ltd., thereby, attracting the requirement under Section 149(4) of the Companies Act, 2013 read with Rule 4 of Companies (Appointment and Qualifications of Director) Rules, 2014, to appoint atleast two independent directors on the Board of the Company. The Company is in the process of identifying suitable candidate for the said position to ensure compliance within prescribed timelines.

CHANGE IN KEY MANAGERIAL PERSONNEL (KMP)

During the year, the Board of Directors at their Meeting held on September 16, 2024, appointed Mr. Ravi Varanasi as the Chief Executive officer and Key Managerial Personnel (CEO & KMP) of your Company. Further, the Board of Directors at their Meeting held on February 20, 2025 appointed Mr. Arvind Tiwari as the Chief Financial Officer and Key Managerial Personnel (CFO& KMP) of your Company. In terms of Section 203 of the Companies Act, 2013, the Company is required to appoint Company Secretary within a period of six months from the date of increase in share capital. The Company is in the process of identifying suitable candidate for the said position to ensure compliance within prescribed timelines.

BOARD MEETINGS

During the year, the Board met six times and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013. Attendance details of the Board are as follows:

Name	Board Meetings					
	July 22, 2024	August 14, 2024	September 16, 2024	November 7, 2024	January 29, 2025	February 20, 2025
Mr. Dinesh Mandhana	P	A	A	P	P	P
Mr. Swapnil Dhumane	P	P	P	P	A	P
Mr. Sandeep Deshpande#	NA	P	P	P	P	A
Mr. Mark Verinder*	NA	NA	NA	NA	NA	P
Mr. Craig Edward Brookes	NA	NA	NA	NA	NA	P

 # Mr. Sandeep Deshpande appointed as Director w.e.f. July 22, 2024

**Mr. Mark Verinder and Mr. Craig Edward Brookes appointed as Director w.e.f. February 7, 2025*

During the year, the paid-up share capital of the Company exceeded Rs. 10 crores, pursuant to issuance and allotment of shares to Vebro Polymers Holdings Ltd. thereby, attracting the requirement under Section 177 and 178 of the Companies Act, 2013 read with Rule 4 of Companies (Appointment and Qualifications of Director) Rules, 2014 to constitute:

1. Audit Committee: with minimum three directors and majority to be independent directors
2. Nomination & Remuneration Committee: with three or more non-executive directors out which not less than half must be independent directors.

The Company will constitute the said committee upon appointment of Independent Directors.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134(3) (c) of the Companies Act, 2013 with respect to Directors' Responsibility Statement, it is hereby confirmed that:

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

(c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

(d) The Directors had prepared the annual accounts on a going concern basis; and

(e) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL STANDARDS

Your Company is in compliance with the Secretarial Standards on Meetings of the Board of Directors (SS-1) and Secretarial Standards on General Meetings (SS-2) issued by the Institute of Company Secretaries of India (ICSI) as amended from time to time.

AUDITORS

During the year, the Board of Directors at their Meeting held on August 14, 2024 appointed M/s. Price Waterhouse Chartered Accountants, LLP (Firm Registration No.: 012754N/N500016) as the First Auditors of the Company till the conclusion of the First Annual General Meeting of the Company.

The Board of Directors at its meeting held on April 22, 2025 has approved the appointment of Price Waterhouse Chartered Accountants, LLP (Firm Registration No.: 012754N/N500016) as the Statutory Auditors of your Company for a term of five years from the conclusion of First Annual General Meeting until the conclusion of the Sixth Annual General Meeting, subject to shareholders approval at the ensuing Annual General Meeting. The said proposal forms part of the Notice convening the First Annual General Meeting of the Company.

DETAILS REGARDING FRAUDS REPORTED BY AUDITORS UNDER SECTION 143(12) OF THE COMPANIES ACT, 2013

During the year under review, there were no frauds reported by the auditors to the Board under section 143 (12) of the Act.

RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the company at large. Therefore, requirements of disclosure of RPTs in AOC-2 are not attracted.

A statement showing the disclosure of transactions with related parties as required under IND AS 24 is set out separately in the Financial Statements.

THERMAX VEBRO POLYMERS INDIA PRIVATE LIMITED

ANNUAL RETURN

The Company does not have a website and hence in terms of provisions of Section 92 of the Companies Act, 2013 the requirement of publishing Annual Return is not applicable.

CONSERVATION OF ENERGY

The Company is committed to conservation of energy and contributes in activities taken by the Parent Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

Information pertaining to foreign exchange earnings and outgo as per Section 134 (3) (m) of the Companies Act, 2013 is as given below:

	(Rs. in Lakh)
Particulars	**March 31, 2025***
Earnings	
Revenue	-
Expenditure**	(34.81)
Capital Expenditure	
Net	(34.81)

**Since the Company was incorporated on July 18, 2024, there are no corresponding previous year's figures*

*** Amount is provided for in books of account but to be paid in next financial year*

PARTICULARS OF EMPLOYEES

The total number of permanent employees on the rolls of the Company as on March 31, 2025 was 9. The information as required under rule 5(2) of the companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended, will be made available upon request.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year there are no significant material orders passed by the Regulators / Courts which would adversely impact the going concern status of the company and its operations in future.

DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company is committed to provide a safe and conducive work environment to its employees. The Company has a duly constituted Internal Committee as per the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no cases pending at the beginning of the year / filed during the year, pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

THE INSOLVENCY AND BANKRUPTCY CODE, 2016

During the year there were no applications made or proceedings pending under the Insolvency and Bankruptcy Code, 2016.

Details of difference between the amounts of valuation at the time of one time settlement and the valuation done at the time of taking a loan from the banks of financial institutions along with the reasons thereof

During the year under review, there is no instance of one-time settlement with any Bank or Financial Institution.

COST RECORDS APPLICABILITY

The provisions relating to maintenance of cost records under sub section (1) of section 148 of the Companies Act, 2013 were not applicable on the Company during the financial year.

ACKNOWLEDGEMENTS

The Directors wish to place on record their appreciation for the support extended by the company's customers, vendors and bankers during the year and look forward to their continued support in the future as well.

For and on behalf of the Board of Directors of
Thermax Vebro Polymers India Private Limited

	Dinesh Mandhana	**Swapnil Dhumane**
Place: Pune,	Director	Director
Pune: April 22, 2025	DIN: 10646110	DIN: 10646109

INDEPENDENT AUDITOR'S REPORT

To the Members of Thermax Vebro Polymers India Private Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Thermax Vebro Polymers India Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the period from July 18, 2024 to March 31, 2025, and notes to the financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and total comprehensive income (comprising of loss and other comprehensive income), changes in equity and its cash flows for the period from July 18, 2024 to March 31, 2025.

Basis for Opinion

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

Other Information

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

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of management and those charged with governance for the financial statements

5. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance, 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. 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.

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

7. 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

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

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

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

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

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

   - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

   - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

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

12. As required by Section 143(3) of the Act, we report that:

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

(b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books, except that the backup of certain other books and papers maintained in electronic mode has not been maintained on a daily basis on servers physically located in India during the year and the matters stated in paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.

(d) In our opinion, the aforesaid financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

(e) On the basis of the written representations received from the directors as on March 31, 2025, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2025, from being appointed as a director in terms of Section 164(2) of the Act.

(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 12(b) above on reporting under Section 143(3)(b) and paragraph 12(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 does not have any pending litigations which would impact its financial position.

ii. The Company was not required to recognise a provision as at March 31, 2025 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contract. The Company did not have any derivative contracts as at March 31, 2025.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the period ended March 31, 2025.

iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in Note 31(viii)(A) to the financial statements, 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, as disclosed in the Note 31(viii)(B) to the financial statements, 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; and

(c) Based on such audit procedures that we 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 or paid any dividend during the period.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail is not maintained in case of modification by certain users with specific access. Further at the database level it has operated only towards the end of the financial year, except for certain information or data.

During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with.

13. The Company has not paid any remuneration to its directors during the year. Accordingly, reporting under Section 197(16) of the Act is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN: 25109846BMLWGW8657

Place : Pune
Date: May 03, 2025

Annexure A to Independent Auditor's Report

Referred to in paragraph 12(g) of the Independent Auditor's Report of even date to the members of Thermax Vebro Polymers India Private Limited on the financial statements for the period ended March 31, 2025

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

We have audited the internal financial controls with reference to financial statements of Thermax Vebro Polymers India Private Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the financial statements of the Company for the period ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing specified under Section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both applicable to an audit of internal financial controls and both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls system with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2025, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN: 25109846BMLWGW8657

Place : Pune
Date: May 03, 2025

THERMAX VEBRO POLYMERS INDIA PRIVATE LIMITED

Annexure B to Independent Auditor's Report

In terms of the information and explanations sought by us and furnished by the Company, and the books of account and records examined by us during the course of our audit, and to the best of our knowledge and belief, we report that:

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

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification. In our opinion, the frequency of verification is reasonable.

(c) The Company does not own any immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Order is not applicable to the Company.

(d) The Company has chosen cost model for its Property, Plant and Equipment (including Right of Use assets) and Intangible Assets. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment (including Right of Use assets) or Intangible Assets does not arise.

(e) No proceedings have been initiated on or are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly the Benami Transactions (Prohibition) Act, 1988 (45 of 1988)) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in the financial statements does not arise.

ii. (a) The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year, the Company has not been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate from banks and financial institutions and accordingly, the question of our commenting on whether the quarterly returns or statements are in agreement with the unaudited books of account of the Company does not arise.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under.

vi. The Central Government of India has not specified the maintenance of cost records under sub-section (1) of Section 148 of the Act for any of the products of the Company. Accordingly, reporting under clause 3(vi) of the Order is not applicable to the Company.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, income tax, and other statutory dues, as applicable, with the appropriate authorities. Further, undisputed statutory dues of professional tax have not generally been regularly deposited with the appropriate authorities though the delays in deposit have not been serious. However, there are no arrears of statutory dues outstanding as at March 31, 2025, for a period of more than six months from the date they became payable.

(b) There are no statutory dues referred to in sub-clause (a) which have not been deposited on account of any dispute.

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

ix. (a) As the Company did not have any loans or other borrowings from any lender during the year, the reporting under clause 3(ix)(a) of the Order is not applicable to the Company.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) The Company has not obtained any term loans. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, the Company has not raised funds on short-term basis. Accordingly, reporting under clause 3(ix)(d) of the Order is not applicable to the Company.

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiary, joint venture or associate company during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

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

(b) The Company has made a private placement of shares during the year, in compliance with the requirements of Section 42 and Section 62 of the Act. The funds raised have been used for the purpose for which funds were raised.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, 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, 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 under clause 3(xi)(b) 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 as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

xii. As the Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it, the reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. In our opinion, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Act.

xv. In our opinion, the Company has entered into non-cash transactions with person connected with directors, in compliance with the provisions of Section 192 of the Act. (Also, refer Note 4 (c) and 11 to the financial statements).

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the period. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

(c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the reporting under clause 3(xvi)(c) of the Order is not applicable to the Company.

(d) In our opinion, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) has one CIC as part of the Group.

xvii. The Company has incurred cash losses of Rs. 363.36 lakhs in the financial year. The current financial year being the first year of incorporation of the Company, reporting under Clause (xvii) to the extent it relates to the immediately preceding financial year, is not applicable to the Company.

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

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. As stated in Note 31 (ix) to the Financial Statements, the Company does not have subsidiary or joint venture or associate company and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Amit Borkar
Partner
Membership Number: 109846
UDIN: 25109846BMLWGW8657

Place : Pune
Date: May 03, 2025

THERMAX VEBRO POLYMERS INDIA PRIVATE LIMITED

Balance Sheet as at March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	As at March 31, 2025
ASSETS		
I. Non-current assets		
Property, plant and equipment	4 (a)	8.68
Right-of-use assets	4 (b)	58.80
Intangible assets	4 (c)	868.09
Financial assets:		
(a) Other assets	5 (a)	17.31
Deferred tax assets (net)	6	-
Total non-current assets		**952.88**
II. Current assets		
Inventories	7	0.23
Financial assets:		
(a) Trade receivables	10	148.50
(b) Cash and cash equivalents	8	525.64
(c) Other assets	5 (b)	26.10
Other current assets	9	24.96
Total current assets		**725.43**
Total Assets		**1,678.31**
EQUITY AND LIABILITIES		
III. Equity		
Equity share capital	11	1,618.23
Other equity	12	(498.34)
Total equity		**1,119.89**
IV. Non-current liabilities		
Financial liabilities:		
(a) Lease liabilities	26	31.72
Provisions	15 (a)	16.06
Total non-current liabilities		**47.78**
V. Current liabilities		
Financial liabilities:		
(a) Trade payables	13	
Total outstanding dues of micro and small enterprises		4.53
Total outstanding dues of creditors other than micro and small enterprises		367.83
(b) Lease liabilities	26	25.83
(c) Other financial liabilities	14	80.24
Provisions	15 (b)	17.78
Other liabilities	16	14.43
Total current liabilities		**510.64**
Total equity and liabilities		**1,678.31**
Summary of material accounting policies	2	
Summary of significant accounting estimates and judgements	3	

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

This is the Balance Sheet referred to in our report of even date.

Statement of profit and loss for the period of July 18, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Particulars	Note No	July 18, 2024 to March 31, 2025
Income		
Revenue from operations	17	169.89
Other income	18	6.78
Total income (I)		**176.67**
Expenses		
Purchases of stock in trade	19	122.95
Changes in inventories of stock in trade	20	(0.23)
Employee benefits expense	21	275.12
Finance costs	22	3.47
Depreciation and amortisation expense	4 (d)	112.56
Other expenses	23	138.72
Total expenses (II)		**652.59**
Loss before tax (III) = (I-II)		**(475.92)**
Tax expense	6	
Current tax		-
Deferred tax (net)		-
Total tax expense (IV)		**-**
Profit for the year (V) = (III-IV)		**(475.92)**
Other Comprehensive Income (OCI)		
A. Items that will not be reclassified subsequently to profit or loss		
i) Re-measurement gain/(loss) on defined benefit plan		(2.10)
Less: Income tax effect		-
Net other comprehensive income for the year (net of tax) (VI)		**(2.10)**
Total comprehensive income for the year (VII=V + VI)		**(478.02)**
Loss per equity share		
Basic and Diluted [Nominal value per share Rs. 10/-]	24	(5.29)
Summary of material accounting policies	2	
Summary of significant accounting estimates and judgements	3	

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

This is the Statement of profit and loss referred in our report of even date

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date:

For and on behalf of the Board of Directors of
Thermax Vebro Polymers India Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Ravi Varanasi
Chief Executive Officer

Arvind Tiwari
Chief Financial Officer

Place: Pune
Date:

Statement of cash flows for the period of July 18, 2024 to March 31, 2025

(All amounts are in Rupees Lakhs , except stated otherwise)

	Particulars	July 18, 2024 to March 31, 2025
A	**Cash flows from operating activities**	
	Loss before tax	(475.92)
	Adjustments to reconcile loss before tax to net cash flows	
	Depreciation and amortization expense	112.56
	Interest expense	3.47
	Interest income	6.78
	Working capital adjustments	
	(Increase) in trade receivables	(148.50)
	(Increase) in inventories	(0.23)
	(Increase) in other financial assets	(20.50)
	(Increase) in other assets	(51.06)
	Increase in trade payables	372.36
	Increase in other liabilities	14.43
	Increase in provisions	31.74
	Increase in other financial liabilities	56.48
	Cash generated from operations	**(98.39)**
	Direct taxes paid (net of refunds received)	-
	Net cash outflow from operating activities	**(98.39)**
B)	**Cash flows used in investing activities**	
	Purchase of property, plant and equipment & intangible assets	(142.60)
	Net cash flows used in investing activities	**(142.60)**
C)	**Cash flows from financing activities**	
	Payment of lease liability	(17.84)
	Proceeds from issue of equity shares	810.73
	Cost related to issue of own equity instruments	(20.32)
	Net cash flows from financing activities	**772.57**
	Net increase in cash and cash equivalents	**531.58**
	Cash and cash equivalents at the beginning of the period	-
	Less: Interest accrued on cash and cash equivalents	(5.94)
	Cash and cash equivalents at the end of the period	**525.64**
	Non-cash financing and investing activities	**531.58**
	Acquisition of right-of-use assets	74.27
	Purchase of intangible asset through the issue of equity shares	807.50

Reconciliation of cash and cash equivalents as per the cash flow statement:

Particulars	Note No.	March 31, 2025
Cash and cash equivalents	13 (a)	525.64
Balances as per Statement of cash flows		**525.64**

Statement of changes in equity for the period of July 18, 2024 to March 31, 2025

((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

A Equity Share Capital#

Particulars	Note No.	As at March 31, 2025
Balance at the beginning of the period	11	-
Changes in equity shares capital during the period	11	1,618.23
Balance at the end of the period	**11**	**1,618.23**

B Other Equity^

Particulars	Reserves and surplus	Total
As at July 18, 2024	**-**	**-**
Profit for the year	(475.92)	(475.92)
Other Comprehensive Income (net)	(2.10)	(2.10)
Total comprehensive income	**(478.02)**	**(478.02)**
Cost related to issue of own equity instruments	(20.32)	(20.32)
As at March 31, 2025	**(498.34)**	**(498.34)**

The above Statement of changes in equity should be read in conjunction with the accompanying notes.

This is the Statement of changes in equity referred to in our report of even date.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date:

For and on behalf of the Board of Directors of
Thermax Vebro Polymers India Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Ravi Varanasi
Chief Executive Officer

Arvind Tiwari
Chief Financial Officer

Place: Pune
Date:

THERMAX VEBRO POLYMERS INDIA PRIVATE LIMITED

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025
((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

1. Corporate information

Thermax Vebro Polymers India Private Limited (the Company) is in the business of manufacturing, producing, processing, buying, selling, importing, exporting, distributing, and dealing in all kinds of flooring chemicals, including but not limited to adhesives, sealants, epoxy coatings, floor hardeners, floor levelling compounds, and floor cleaning agents (together termed as "chemical products").

The Company is a private limited company incorporated under the provisions of The Companies Act, 2013 and domiciled in India. The address of its registered office is S No. 14/D, F P No. 32/33, Wakdewadi Mumbai Pune Road, Khadki, Pune, Maharashtra, India, 411003.

The Board of Directors have authorized to issue these financial statements on April 22, 2025. The CIN of the Company is U20290PN2024PTC232807.

2 Material accounting policies

2.1 Basis of preparation, measurement and Consolidation

a. Basis of preparation

These financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS), notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation requirements of Division II of Schedule III to the Companies Act, 2013 (Ind AS compliant Sch III) as applicable to the financial statements.

The preparation of the financial statements requires the use of certain critical accounting judgements, estimates and assumptions. It also requires the management to exercise judgment in the process of applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 3.

b. Basis of measurement

The financial statements have been prepared on the accrual and going concern basis under historical cost convention except certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments).

2.2 Summary of material accounting policies, critical accounting estimates and judgements

a. Current and non-current classification

The Company presents assets and liabilities in the balance sheet based on current/noncurrent classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- 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 expected to be settled in normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

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

The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

b. Foreign currencies

The Company's standalone financial statements are prepared in INR, which is also the functional currency of the Company.

Transactions and balances

Transactions in foreign currencies are initially recorded at the functional currency spot rates

at the date the transaction first qualifies for recognition. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date. Exchange differences arising on settlement or translation of monetary items are recognised in the Statement of profit and loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

c Financial instruments

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.

Financial assets

All financial assets are recognized initially at fair value except for Trade receivables which are recognised initially at the transaction price.

(i) Debt instruments at amortized cost

A 'debt instrument' is measured at the amortized cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortized cost using the effective interest rate (EIR) method. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of EIR. The EIR amortization is included in income in the Statement of profit and loss. The losses arising from impairment are recognized in the Statement of profit and loss.

The Company does not have any debt instrument measured at fair value or any equity investments.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its 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 under a "pass-through" arrangement; 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.

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025
((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

Impairment of financial assets

Further disclosures relating to impairment of financial assets are provided in the following notes:

- **Trade receivables -** Refer note 10;

Financial liabilities

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables.

Subsequent measurement of financial liabilities depends on their classification as fair value through profit and loss or at amortized cost. The Company's all financial liability are currently classified under amortized cost.

Amortized cost category is applicable to trade and other payables. After initial recognition the financial liabilities are measured at amortized cost using the EIR method. Gains and losses are recognized in profit and loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or cost that are integral part on EIR. The EIR amortization is included as finance cost in the Statement of profit and loss.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires when an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

3. SIGNIFICANT ACCOUNTING ESTIMATES AND JUDGEMENTS

In the application of the Company's accounting policies, the Management is required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on industry experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Detailed information about each of these estimates and judgements is included in relevant notes together with information about the basis of calculation for each affected line item in the Financial Statements.

The areas involving critical estimates or judgements are:

a. Estimates and assumptions related to useful lives of Property, Plant and Equipment (PPE) (Refer note 4)

b. Estimate and assumptions for income taxes (Refer note 6)

c. Estimations used for impairment of trade receivable (Refer note 10);

d. Judgments related to employee benefits expense (Refer note 15)

4 Property, Plant and Equipment

Accounting policy

Property, plant and equipment (PPE) are stated at cost of acquisition or construction net of accumulated depreciation and impairment loss, if any. All significant costs relating to the acquisition and installation of PPE are capitalised. Subsequent costs/replacement costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance expenses are charged to the Statement of profit and loss during the financial year in which they are incurred.

Depreciation on PPE is calculated on a straight line basis using the rates arrived at, based on the useful lives estimated by the management. The identified components are depreciated separately over their useful lives; the remaining components are depreciated over the life of the principal asset.

The management has estimated, supported by technical assessment, the useful lives of certain classes of assets. The following useful lives are adopted by the management:

Asset category	Company's estimate of useful life (years)	Useful life as prescribed under Schedule II (years)
Office equipment	5	5
Computers and data processing units	5	3 to 6

The residual values, useful lives and methods of depreciation of PPE are reviewed on a regular basis and changes in estimates, when relevant, are accounted for on a prospective basis.

Estimates and assumptions:

The Company determines, based on technical assessment, the estimated useful lives of its property, plant and equipment and intangible assets for calculating depreciation and amortisation. This estimate is determined after considering the expected usage of the asset or physical wear and tear. Management reviews the residual value and useful lives periodically and future depreciation and amortisation charge would be adjusted where the management believes the useful lives differ from previous estimates.

Impairment of PPE

The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or Cash Generating Unit's (CGU) fair value less costs of disposal and its value in use. Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets. When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

THERMAX VEBRO POLYMERS INDIA PRIVATE LIMITED

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025

((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(a) PROPERTY, PLANT AND EQUIPMENT:

Particulars	Computer and data processing units	Computer and data processing units	Total
Gross carrying amount as at July 18, 2024	**-**	**-**	**-**
Additions	2.65	6.91	9.56
Disposals	-	-	-
Gross carrying amount as at March 31, 2025	**2.65**	**6.91**	**9.56**
Accumulated depreciation as at July 18, 2024	**-**	**-**	**-**
Charge for the period	0.26	0.62	0.88
Disposals	-	-	-
Closing accumulated depreciation and impairment as at March 31, 2025	**0.26**	**0.62**	**0.88**
Net Block as at March 31, 2025	**2.39**	**6.29**	**8.68**

(b) RIGHT-OF-USE ASSETS (ROU)

Accounting policy

The Company recognises ROU assets at cost at the commencement date of the lease. The cost of ROU asset includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received and estimate of costs to dismantle. After the commencement date, ROU assets are measured at cost, less any accumulated depreciation and impairment losses and adjusted for any remeasurement of lease liabilities. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs. ROU assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated remaining useful lives of the assets, as follows:

Office Premise- 3 years

Description	Office Premise	Total
Gross carrying amount as at July 18, 2024		
Additions	74.27	74.27
Disposals	-	-
Gross carrying amount as at March 31, 2025	**74.27**	**74.27**
Accumulated amortisation as at July 18, 2024	**-**	**-**
Charge for the year	15.47	15.47
Disposals	-	-
Closing accumulated amortisation as at March 31, 2025	**15.47**	**15.47**
Net Block as at March 31, 2025	**58.80**	**58.80**

The Company has taken certain assets on lease which has been accounted in accordance with Ind AS 116-Leases under right-of-use assets. Refer note 26 for further disclosure on leases.

Contractual Obligations: Refer to note 25(a) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(c) INTANGIBLE ASSETS

Accounting policy

Intangible assets acquired separately are measured on initial recognition at cost. In case of intangible assets which has not been acquired for cash consideration, the cost of such an intangible asset is measured at fair value of the asset acquired. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment losses.

Intangible assets with finite lives are amortized over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortization period or method, as appropriate, and are treated as changes in accounting estimates. The amortization expense on intangible assets with finite lives is recognized in the Statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the Statement of profit and loss when the asset is derecognized.

A summary of amortisation rates applied to the Company's intangible assets are as below:

Assets category	Company's estimate of useful life (years)
Technical know how	5
Computer software	3

Description	Computer software	Technical know-how#	Total
Gross carrying amount as at July 18, 2024	**-**	**-**	**-**
Additions	14.30	950.00	964.30
Disposals	-	-	-
Gross carrying amount as at March 31, 2025	**14.30**	**950.00**	**964.30**
Accumulated amortisation as at July 18, 2024	**-**	**-**	**-**
Charge for the year	1.21	95.00	96.21
Disposals	-	-	-
Closing accumulated depreciation and impairment as at March 31, 2025	**1.21**	**95.00**	**96.21**
Net Block as at March 31, 2025	**13.09**	**855.00**	**868.09**

#The Company during the year has obtained technical know how from Vebro Polymer Holdings Limited, UK, in lieu of equity shares of the Company subject to applicable TDS laws.

(d) DEPRECIATION AND AMORTIZATION EXPENSE

	July 18, 2024 to March 31, 2025
Depreciation on property, plant and equipment (note 4(a))	0.88
Amortisation on right-of-use assets (note 4(b))	15.47
Amortisation of intangible assets (note 4(c))	96.21
Total	**112.56**

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025
((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

5 OTHER FINANCIAL ASSETS - AT AMORTIZED COST

(a) OTHER NON-CURRENT ASSETS

	As at March 31, 2025
Security deposits	17.31
Total	**17.31**

(b) OTHER CURRENT ASSETS

	As at March 31, 2025
Other receivables (refer note 27)	26.10
Total	**26.10**

6 INCOME TAXES

Accounting policy

Tax expense comprises current tax expense and deferred tax.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. 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 outside profit or loss is recognised either in OCI or in equity. Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised.

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

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

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI 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 taxation authority.

The Company determines whether to consider each uncertain tax treatment separately or together with one or more other uncertain tax treatments and uses the approach that better predicts the resolution of the uncertainty.

Estimates and assumptions

At each balance sheet date, the Company assesses whether the realisation of future tax benefits is sufficiently probable to recognise deferred tax assets. This assessment requires the use of significant estimates with respect to assessment of future taxable income. The recorded amount of total deferred tax assets could change if estimates of projected future taxable income or if changes in current tax regulations are enacted.

The major components of income tax expense for the period ended March 31, 2025 are:

Statement of profit and loss	**July 18, 2024 to March 31, 2025**
Current tax	-
Deferred tax	-
Income tax expense reported in the Statement of profit or loss	**-**

Other comprehensive income	**July 18, 2024 to March 31, 2025**
Deferred tax related to items recognised in other comprehensive income during the year	-
Net gain/(loss) on remeasurements of defined benefit plans	-
Deferred tax credit in other comprehensive income	**-**

Reconciliation of tax expense and accounting profit multiplied by India's domestic tax rate

	July 18, 2024 to March 31, 2025
Accounting profit before tax	(475.92)
At India's statutory income tax rate (as per Income Tax Act, 1961) of 25.17%	(119.78)
Non deductible expenditure	23.90
Unrecognized tax benefits on tax losses and other items	95.88
Effective tax	**-**
Income tax expense reported in the Statement of profit or loss	-

The Company has tax losses & other items of Rs. 380.96 lakhs that are available for offsetting for future taxable profits. Deferred tax assets have not been recognised in respect of these losses as they may not be used to offset taxable profits elsewhere in the Company and there are no other tax planning opportunities or other evidence of recoverability in the near future. If the Company was able to recognise all unrecognised deferred tax assets, the loss for the year would decrease by Rs. 95.88 lakhs.

7 INVENTORIES

Accounting policy

Inventories are stated at the lower of cost and net realisable value (NRV). Cost of inventory includes cost of purchase and other costs incurred in bringing the inventories to their present location and condition. Costs of inventories are determined on weighted average basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. Write down of inventories are calculated based on an analysis of foreseeable changes in demand, technology, market conditions and ageing of inventories.

	As at March 31, 2025
Traded goods	0.23
Total	**0.23**

8 CASH AND CASH EQUIVALENTS

Accounting policy

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the Statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

	As at March 31, 2025
Balances with banks	
- in current accounts	119.70
- in deposits with original maturity of less than three months *	405.94
Total	**525.64**

*Short-term deposits are made for varying periods ranging between one day and three months, depending on the immediate cash requirements of the Group, and earn interest at the respective short-term deposit rates.

Note: There are no repatriation restrictions with regard to cash and cash equivalents as at the end of the reporting period.

9 OTHER ASSETS

OTHER CURRENT ASSETS

	As at March 31, 2025
Unsecured, considered good	
Balances with government authorities	24.96
Total	**24.96**

10 TRADE RECEIVABLES - AT AMORTIZED COST

Accounting policy

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Trade receivables are recognised initially at the transaction price as they do not contain significant financing components. The Company holds the trade receivables with the objective of collecting the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method, less loss allowance. For trade receivables, the Company applies the simplified approach required by Ind AS 109, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

CURRENT TRADE RECEIVABLES

	As at March 31, 2025
Trade receivables from:	
i) Related parties (note 27)	-
ii) Others	148.50
Total	**148.50**
Break-up for security details	
Secured, considered good	-
Unsecured, considered good	148.50
Trade receivables which has a significant increase in credit risk	-
Trade receivables - credit impaired	-
	148.50
Less: Impairment allowance	-
Total	**148.50**

No trade or other receivables are due from directors or other officers of the company either severally or jointly with any other person. Nor any trade receivables due from firms or private companies respectively in which any director is a partner, a director or a member.

The ageing of current trade receivables which are due for receipt:

Particulars	Not Due	Outstanding for the following period from due date of payments					Total
		Less than 6 months	6 months-1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed trade receivables-considered good	46.00	102.50	-	-	-	-	**148.50**
(ii) Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	**-**
(iii) Undisputed trade receivables- credit impaired	-	-	-	-	-	-	**-**
(iv) Disputed trade receivables-considered good	-	-	-	-	-	-	**-**
(v) Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-
(vi) Disputed trade receivables- credit impaired	-	-	-	-	-	-	-
Sub-total	**46.00**	**102.50**	**-**	**-**	**-**	**-**	**148.50**
Less: Impairment allowance							**-**
Total							**148.50**

The above ageing includes retention receivables which are classified as due or not due on the basis of the contractual terms with respective customers.

Estimates and Judgements

The impairment provisions for financial assets are based on assumptions about risk of default, expected loss rates and timing of cash flows. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

As a practical expedient, the Company uses a provision matrix to determine ECL impairment allowance on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward-looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed. On that basis, the Company estimates a default rate of total revenue for trade receivables and contract revenue for contract assets. The Company follows provisioning norms based on ageing of receivables to estimate the impairment allowance under ECL.

No impairment allowance has been considered necessary using lifetime ECL model on the outstanding receivables.

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025

((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

11 Share capital

Accounting policy

Equity shares issued to shareholders are classified as equity. Incremental costs directly attributable to the issue of new equity shares are recognized as a deduction from equity, net of any related income tax effects.

	March 31, 2025
Authorized shares	
2,00,00,000 equity shares of Rs. 10/- each.	2,000.00
	2,000.00
Issued, subscribed and fully paid share capital	
1,61,82,300 equity shares of Rs. 10/- each.	1,618.23
Total issued, subscribed and fully paid-up share capital	**1,618.23**

(a) Reconciliation of the shares outstanding at the beginning and at the end of the period

	No. of shares
Equity share of Rs. 10 each issued, subscribed and fully paid	
As at July 18, 2024	**-**
Changes during the year (1,61,82,300 equity shares of Rs. 10/- each.)	1,618.23
As at March 31, 2025	1,618.23

(b) Terms/ rights attached to equity shares

The Company has one class of equity shares having a par value of Rs. 10 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

(c) Equity shares held by ultimate holding / holding company

	As at March 31, 2025
Holding Company	
Thermax Chemical Solutions Private Limited, India	810.73
81,07,300 equity shares of Rs. 10/- each fully paid	

(d) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

	As at March 31, 2025
Thermax Chemical Solutions Private Limited, India	50.10%
No. of shares (81,07,300 equity shares of Rs. 10/- each fully paid)	810.73
Vebro Polymers Holdings Limited, UK	49.90%
No. of shares((80,75,000 equity shares of Rs. 10/- each fully paid)	807.50

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

(e) Details of equity shares held by promoters in the Company

	As at March 31, 2025
Thermax Chemical Solutions Private Limited, India	
%	50.10%
No. of shares	810.73
% of change during the year	Not applicable
Vebro Polymers Holdings Limited, UK	
%	49.90%
No. of shares	807.50
% of change during the year	Not applicable

(f) An aggregate of 80,75,000 equity shares were issued pursuant to purchase of technical know how, without payment being received in cash (Refer Note 4(c))

(g) There are no buy back of shares by company during the period preceding the reporting date.

12 OTHER EQUITY

	As at March 31, 2025
Reserves and surplus	
Retained earnings	
Opening balance	
Add: Loss for the year	(475.92)
Transaction costs arising on share issues	(20.32)
Movement during the year	(496.24)
Items of other comprehensive income recognised directly in retained earnings:	
Re-measurement (loss) on defined benefit plans	(2.10)
Net deficit in the Statement of profit and loss	**(498.34)**
Total Reserves and Surplus	**(498.34)**
Total	**(498.34)**

13 TRADE PAYMENTS - AT AMORTIZED COST

CURRENT TRADE PAYABLES

	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	4.53
Total outstanding dues of creditors other than micro enterprises and small enterprises	
i) Related parties (note 27)	351.63
ii) Others	16.20
Total	**372.36**

Particulars	Unbilled trade payable (Pertains to accrued expenses/ liabilities)	Not Due	Outstanding for the following period from due date of payments				Total
			Less than a year	1-2 years	2-3 years	More than 3 years	
(i) Micro enterprises and small enterprises	0.42	1.66	2.45	-	-	-	**4.53**
(ii) Others	39.47	140.10	188.26	-	-	-	**367.83**
(iii) Disputed dues - Micro enterprises and small enterprises		-	-	-	-	-	**-**
(iv) Disputed dues- Others		-	-	-	-	-	**-**
Total							**372.36**

14 FINANCIAL LIABILITIES

OTHER CURRENT LIABILITIES

	March 31, 2025
Payables for Property, plant and equipment	23.76
Employee related payables	56.48
Total	**80.24**

15 PROVISIONS

Accounting policy

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Retirement and other employee benefits

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The Company operates a defined benefit gratuity plan in India. The cost of providing benefits under the defined benefit plan is determined using the Projected Unit Credit Method. Remeasurements, excluding amounts included in interest on the 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. Remeasurements are not reclassified to the Statement of profit and loss in subsequent periods.

Past service costs are recognized in the Statement of profit and loss on the earlier of:

(a) The date of the plan amendment or curtailment; and

(b) 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.

Accumulated leave, which is expected to be utilised within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date. The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the Projected Unit Credit Method at the period-end. The Company presents the leave as a current liability in the balance sheet as it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

Estimates and assumptions

• **Provision for onerous contracts:** The Group provides for future losses on EPC contracts where it is considered highly probable that the contract costs are likely to exceed revenues in future years. Estimating these future losses involves a number of assumptions about the achievement of contract performance targets and the likely levels of future cost escalation over time.

Defined benefit plan - Gratuity:

The cost of the defined benefit gratuity plan and the present value of the gratuity obligation are determined using actuarial valuations. 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 and mortality rates. 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 which is most subjected to change is the discount rate. In determining the appropriate discount rate for plans operated in India, the management considers the interest rates of government bonds in currencies consistent with the currencies of the post employment benefit obligation. The mortality rate is based on Indian Assured Lives Mortality (2012-14) Ultimate. Those mortality tables tend to change only at interval in response to demographic changes. Future salary increases and gratuity increases are based on expected future inflation rates.

(a) NON-CURRENT PROVISIONS

	As at March 31, 2025
Provision for employee benefits	
Provision for gratuity	16.06
Total	**16.06**

(b) CURRENT PROVISIONS

	As at March 31, 2025
Provision for employee benefits	
Provision for gratuity	0.15
Provision for compensated absences	17.63
Total	**17.78**

(c) GRATUITY

The Company operates a defined benefit plan viz. gratuity for its employees. Under the gratuity plan, every employee who has completed at least specified years of service gets a gratuity on departure at 15 days (minimum) of the last drawn salary for each completed year of service. The Scheme is unfunded.

	As at March 31, 2025
Current liability	0.15
Non-current liability	16.06
Net asset	**16.21**

I Changes in the net benefit obligation and fair value of plan assets are as follows :

	Amount
July 18, 2024	
Current service cost	
Interest expense	3.08
Transfer in	11.03
Reimbursement from related party	(11.03)
Total amount recognised in Statement of profit and loss	**3.08**
Experience adjustments	2.10
Total amount recognised in Other Comprehensive Income	**2.10**
Benefits paid	-
March 31, 2025	**5.18**

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025
((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

II Significant assumptions

The principal actuarial assumptions were as follows :

	As at March 31, 2025
Discount rate	6.70%
Salary growth rate	8.00%
Normal retirement age	60.00
Mortality table	IALM (2012-14) Ultimate
Employee turnover	5.00%

III Sensitivity analysis

The sensitivity of defined obligation to changes in the weighted principal assumptions is:

	As at March 31, 2025	
	Impact of 1% increase	Impact of 1% decrease
Discount rate	(0.96)	12.12
Future salary increase	11.94	10.20
Attrition rate	10.98	11.10

The above sensitivity analysis is based on a change in assumption while holding all other assumptions constant. In practice, this is unlikely to occur and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of defined benefit obligation calculated with the Projected Unit Credit Method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the balance sheet.

The following are the expected cash outflows to the defined benefit plan in future years:

	As at March 31, 2025
Within next 12 months	0.15
Between 2-5 years	5.24
Next 5 years	40.57

The average duration of the defined benefit plan obligation at the end of the reporting period is 9.91 years.

16 OTHER LIABILITIES

OTHER CURRENT LIABILITIES

	As at March 31, 2025
Statutory dues and other liabilities*	14.43
Total	**14.43**

*includes tax deducted at source, provident fund, etc.

17 REVENUE FROM OPERATIONS

Accounting policy

Revenue from contracts with customers:
Revenue from contracts with customers is recognised when control of the goods are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. Revenue is recognised when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable. The Company has concluded that it is the principal in all of its revenue arrangements since it is the primarily responsible for fulfilling the promise to provide the specified good or service and has discretion in establishing the price for the specified good or service. The Company collects goods and services tax on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The Company has following stream of revenue:

Revenue from Sale of goods

If the criteria for revenue recognition over-a-period of time is not met, the Company recognises revenue at a point-in-time. The point-in-time is determined when the control of the goods is transferred which is determined based on when the significant risks and rewards of ownership are transferred to the customer. Apart from this, the Company also considers its present right to payment, the legal title to the goods, the physical possession and the customer acceptance in determining the point in time when control has been transferred. Considering the nature of business and goods sold, warranty claims are not expected to arise and therefore, no provision for warranty is required to be made.

(a) REVENUE FROM CONTRACT WITH CUSTOMERS

	July 18, 2024 to March 31, 2025
Revenue from sale of goods	169.89
Total revenue from operations	**169.89**

(b) DISCLOSURE PURSUANT TO IND AS 115: REVENUE FROM CONTRACT WIH CUSTOMERS

By category of contracts

	July 18, 2024 to March 31, 2025
Over a period of time basis	-
At a point-in-time basis	169.89
Total revenue from contracts with customers	

Revenue by geographical market

	July 18, 2024 to March 31, 2025
Within India	169.89
Outside India	-
Total revenue from operations	**169.89**

Reconciliation between revenue recognised in Statement of profit and loss and contract price:

There is no variation between revenue recognised in Statement of profit and loss and contract price.

18 OTHER INCOME

	July 18, 2024 to March 31, 2025
Interest income from financial assets at amortised cost	
Bank deposits	5.94
Security deposit	0.84
Total	**6.78**

19 STOCK IN TRADE

	July 18, 2024 to March 31, 2025
Inventories at the beginning of the year	-
Add: Purchases	122.72
	122.72
Inventories at the end of the year	0.23
Total	**122.95**

20 CHANGES IN INVENTORIES OF STOCK IN TRADE

	July 18, 2024 to March 31, 2025
Inventories at the beginning of the year	
Traded goods	-
	-
Less: inventories at the end of the year	
Traded goods	0.23
	0.23
Total	**(0.23)**

21 EMPLOYEE BENEFIT EXPENSES

	July 18, 2024 to March 31, 2025
Salaries and wages	263.27
Contribution to provident and other funds	8.70
Gratuity expense (refer note 15)	3.08
Staff welfare expenses	0.07
Total	**275.12**

22 FINANCE COSTS

	July 18, 2024 to March 31, 2025
Unwinding of discount	3.47
Total	**3.47**

23 OTHER EXPENSES

	July 18, 2024 to March 31, 2025
Consumption of stores and spare parts	0.05
Power and fuel	0.72
Freight and forwarding charges	10.86
Advertisement and sales promotion	5.37
Sales and marketing support charges	29.69
Rates and taxes	0.40
Insurance	0.19
Repairs and maintenance:	
Others	6.27
Travelling and conveyance	32.41
Legal and professional fees	7.48
Administrative support charges	32.30
Payment to auditors (refer below note)	8.00
Telephone and communication charges	1.50
Printing & Stationary	2.76
Miscellaneous expenses	0.72
Total	**138.72**

Note: Payment to auditors

	July 18, 2024 to March 31, 2025
As auditor	
- Statutory audit fees	8.00
Total	**8.00**

Note: Corporate Social Responsibility

The Company does not meet the criteria specified in sub section (1) of section 135 of the Companies Act, 2013, read with Corporate Social Responsibility (CSR) Rules, 2014. Therefore, it is not required to incur any expenditure on account of CSR activities during the current period.

24 EARNINGS PER SHARE

Accounting policy

The Company presents the basic and diluted EPS data for its equity shares.

(i) Basic EPS is computed by dividing the net profit for the period attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the period;

(ii) Diluted EPS is computed by adjusting the net profit for the period attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The following table reflects the income and earnings per share data used in the basic and diluted EPS computation:

Particulars	July 18, 2024 to March 31, 2025
Loss after tax attributable to the equity holders (a)	(475.92)
Weighted average number of shares considered for calculating basic EPS (b)	8,990,503
Weighted average number of shares considered for calculating diluted EPS (c)	8,990,503
Nominal value per share (Rs.)	10.00
Basic earnings per share (d) = (a)/(b)	(5.29)
Diluted earnings per share (e) = (a)/(c)	(5.29)

25 CONTINGENT LIABILITIES AND COMMITMENTS

A CONTINGENT LIABILITIES

Accounting policy

A disclosure for a contingent liability is made where there is a possible obligation that arises from past events and the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from the past events where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made.

Details of Contingent liabilities

There are no liabilities of contingent nature.

B CAPITAL AND OTHER COMMITMENTS

Estimated amount of contracts remaining to be executed on capital account (net of advances) and not provided for is Nil.

26 LEASING ARRANGEMENTS

Accounting policy

WHERE THE COMPANY IS LESSEE:

Accounting policy

The Company has taken office premise on lease. The Company assesses whether a contract contains a lease, at inception of a contract. A 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. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(1) The contract involves the use of an identified asset;

(2) The Company has substantially all of the economic benefits from use of the asset through the period of the lease; and

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025
((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

(3) The Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognises a Right-of-Use (ROU) asset and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

Certain lease arrangements include the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The ROU assets are initially recognised at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses. ROU assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. ROU assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e., the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at present value of the future lease payments. The lease payments include fixed payments less any lease incentives receivable. Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a practical expedient, Ind AS 116 - "Property, plant and equipment", permits a lessee not to separate non-lease components, and instead account for any lease and associated non-lease components as a single arrangement. The Company has not used this practical expedient. For a contract that contains a lease component and one or more additional lease or non-lease components, the Company allocates the consideration in the contract to each lease component on the basis of the relative stand-alone price of the lease component and the aggregate standalone price of the non-lease components.

Details of Leases:

The Company has taken office building on lease for a tenure of 3 years. There are no variable lease payments and residual value guarantees for these leases. The leases are renewable on mutually agreeable terms. At the expiry of the non-cancellable period of the lease term, either party has an option to terminate the agreement or extend the term by giving notice in writing.

Carrying amounts of lease liabilities and the movements during the period ended as follows:

	As at March 31, 2025
Opening	-
Additions (for new lease during the period)	71.92
Accretion of interest	3.47
Payments made	(17.84)
Lease liabilities at the end of the period	**57.55**
Current portion of lease liabilities	25.83
Non-current portion of lease liabilities	31.72
Total	**57.55**

Details of amounts recognised in Statement of Profit and Loss

	As at March 31, 2025
Amortisation expense of right-of-use assets	15.47
Interest expense on lease liabilities	3.47
Total amount recognised in Statement of profit or loss	**18.94**

27 RELATED PARTY DISCLOSURES

A Immediate Holding Company

Thermax Chemical Solution Private Limited

B Ultimate Holding Company

RDA Holding Private Limited

C Intermediate Holding Company

Thermax Limited (most senior parent that produces consolidated financial statements for public use)

D Key Management Personnel

Mr. Dinesh Mandana -Director (w.e.f. 18/7/2024)
Mr. Swapnil Dhumane- Director (w.e.f. 18/7/2024)
Mr. Sandeep Prabhakar Deshpande– Director (w.e.f. 18/7/2024)
Mr. Craig Brookes Edward – Director (w.e.f. 07/02/2025)
Mr. Mark Reymond Verinder –Director (w.e.f. 07/02/2025)
Mr. Ravi Varanasi – CEO (w.e.f. 16/09/2024)
Mr. Arvind Kumar Tiwari – CFO (w.e.f. 20/02/2025)

D Parties who have significant influence over the Company

Vebro Polymers Holdings Limited, UK

E Transactions with related parties:

a. Transactions during the period:

Particulars	Amount
Purchases of stock in hand	
Thermax Limited	122.41
Sales and marketing support charges	
Vebro Polymers Holdings Limited, UK	29.69
Administrative support charges	
Thermax Limited	32.30
Reimbursement of expenses	
Thermax Limited	107.25
Vebro Polymers Holdings Limited, UK	15.01
Reimbursement received	
Thermax Limited	26.10
Subscription for equity shares	
Thermax Chemical Solution Private Limited	810.73
Vebro Polymers Holdings Limited, UK	807.50
Purchase of property, plant and equipment and intangible assets	
Thermax Limited	21.21
Vebro Polymers Holdings Limited, UK	950.00
Remuneration to key management personnel*	73.63

* Does not include gratuity and leave encashment since the same is calculated for all employees of the Company as a whole.

b. Balances as at the year end:

Particulars	Amount
Trade payables	
Thermax Limited	306.61
Vebro Polymers Holdings Limited, UK	45.02
Other receivables	
Thermax Limited	26.10
Capital payable	
Thermax Limited	23.76
Employee related payables	
Remuneration to key management personnel	24.46

28 FAIR VALUE MEASUREMENTS

Category of financial instruments

Details of financial assets carried at amortised cost

	As at March 31, 2025
Trade receivables	148.50
Other assets	17.31
Cash and cash equivalents	525.64
Total	**691.45**
Current assets	674.14
Non-current assets	17.31
Total	**691.45**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

Details of financial liabilities carried at amortised cost

	As at March 31, 2025
Trade payables	372.36
Lease liabilities	57.55
Other liabilities	80.24
Total	**510.15**
Current liabilities	478.43
Non-current liabilities	31.72
Total	**510.15**

The management has assessed that the carrying amounts of the above financial instruments approximate their fair values.

29 Financial risk management

The Company's principal financial liabilities, comprise trade and 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 and cash and cash equivalents that derive directly from its operations. Risk is inherent in the Company's activities but it is managed through a process of on going identification, measurement and monitoring, subject to risk limits and other controls. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities. The Company is exposed to market risk, credit risk and liquidity risk.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

I 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 of currency risk.

Market risk is managed on the basis of pre-determined asset allocations across various asset categories, a continuous appraisal of market conditions and trends and management's estimate of long and short term changes in fair value.

Foreign currency risk

Foreign exchange risk arises when future commercial transactions and relevant assets and liabilities are denominated in a currency that is not the Company's functional currency. Foreign exchange risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. The Company operates internationally and is exposed to foreign exchange risk arising from foreign currency transactions, primarily with respect to GBP.

Foreign exchange risk is managed on the basis of continuous assessment of current and expected exchange rate movements.

Foreign currency sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in GBP exchange rates, with all other variables held constant. The impact on the Company's loss before tax is due to changes in the fair value of monetary liabilities.

	Impact on loss before tax As at March 31, 2025
GBP Sensitivity	
INR/GBP - Increase by 1%	(0.45)
INR/GBP - Decrease by 1%	0.45

Favourable impact shown as positive and adverse impact as negative.

The exposure to other foreign currencies is not significant to the Company's financial statements.

II 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 financing activities and deposits and other balances with banks.

Trade receivables

Customer credit risk is managed subject to the Company's established policy, procedures and control relating to customer credit risk management. An impairment analysis is performed at each reporting date on an individual basis for major clients. In addition, a large number of minor receivables are grouped into homogenous group and assessed for impairment collectively. The calculation is based on losses as per historical data. The maximum exposure to credit risk at the reporting date is the carrying value disclosed in notes 8 above.

Financial instruments and bank deposits

Credit risk from balances with banks and other financial assets are managed by the Company's treasury department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties having a good market reputation and within credit limits assigned to each counterparty. The limits are set to minimise the concentration of risks and therefore mitigate financial loss through counterparty's potential failure to make payments.

The Company's maximum exposure to credit risk for bank balances and deposits as at March 31, 2025 is the carrying amounts as disclosed in Note 10 to the financial statements.

	As at March 31, 2025		
	Gross	Expected loss rate	Expected loss allowance
Not due	46.00	0%	-
Less than 6 months	102.50	0%	-
Total			

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025
((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

III Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and the availability of funding through an adequate amount of committed credit facilities to meet obligations.

The management monitors rolling forecasts of the Company's liquidity position and cash and cash equivalents on the basis of expected cash flows. In addition, the Company's liquidity management policy involves projecting future cash flows and considering the level of liquid assets necessary to meet these and monitoring balance sheet liquidity ratios against internal requirements. The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments:

(i) Maturities of financial liabilities

The tables below summarises the Company's financial liabilities into relevant maturity profile based on contractual undiscounted payments :

	< 1 year	1 to 3 years	> 3 years	Total
Trade Payables	372.36	-	-	372.36
Other financial liabilities				
Lease obligation	25.83	37.48	-	63.31
Payables for Property, plant and equipment	23.76	-	-	23.76
Employee related payables	56.48	-	-	56.48

30 CAPITAL MANAGEMENT

The Company's objective for capital management is to maximise long term shareholder value, safeguard business continuity and support the growth of the Company. The Company determines the capital requirement based on annual operating plans and long- term and other strategic investment plans. The funding requirements are met through equity and operating cash flows generated. Capital represents equity attributable to equity holders of the Company.

There are no borrowings outstanding as on period end.

31 OTHER STATUTORY INFORMATION

(i) No proceedings have been initiated on or are pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder.

(ii) The Company does not have any charges or satisfaction which is yet to be registered with Register of Companies beyond the statutory period.

(iii) The Company has not traded or invested in Crypto currency or Virtual Currency during the current period.

(iv) There is no income surrendered or disclosed as income during the current period in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.

(v) The Company has not been declared wilful defaulter by any bank or financial institution or other lender.

(vi) The Company has no transactions with the companies struck off under Companies Act, 2013 or Companies Act, 1956."

(vii) The Company has not entered into any scheme of arrangement which has an accounting impact on current period.

(viii) Utilisation of borrowed funds and share premium:

A. 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

B. 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 Company 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.

(ix) The Company does not have any subsidiary or joint venture or associate company.

32 SEGMENT REPORTING

The Chief Operating Decision Maker (CODM) evaluates the Company's performance and applies the resources to whole of the Company's business viz "Sale of chemicals". Hence the Company does not have any reportable segment as per Ind AS - 108 "Operating Segments".

33 ANALYTICAL RATIOS

S. No.	Particulars	Numerator	Denominator	As at March 31, 2025
1	Current Ratio	Current Assets	Current Liabilities	1.42
2	Debt-Equity Ratio	Total Debt	Shareholders' Equity	0.05
3	Debt Service Coverage Ratio	Earnings available for debt service (Net Profit before taxes + Non-cash operating expenses like depreciation and other amortizations + Interest + other adjustments like loss on sale of Fixed assets etc.)	Debt Service (Interest & Lease Payments + Principal Repayments)	-20.17
4	Return on equity ratio	Net Profits after taxes	Shareholder's Equity	-42.50%
5	Return on investment	Earning before interest and taxes	Total assets	-21.44%
6	Return on capital employed	Earning before interest and taxes	Capital Employed	-116.34%
7	Net Profit Ratio	Net Profits after taxes	Revenue	-280.00%
8	Trade Receivables turnover Ratio	Total Sales	Accounts Receivable	1.14
9	Trade payables turnover Ratio	Net Credit Purchases	Trade Payables	0.70
10	Net capital turnover Ratio	Total Sales	Working Capital	79.10%

Working Capital = Current assets less Current liabilities

Capital employed = Tangible Net worth + Lease liability

THERMAX VEBRO POLYMERS INDIA PRIVATE LIMITED

Notes to the financial statements for the period of July 18, 2024 to March 31, 2025

((All amounts are in Rupees Lakhs, except per share data and unless stated otherwise)

34 DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER MSMED ACT, 2006

Dues to small-scale industrial undertakings have been worked out on the basis of information available with the Management.

Particulars	As at March 31, 2025
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year	
- Principal amount dues to micro and small enterprises	4.53
- Interest due thereon	-
The amount of interest paid by the Company in terms of section 16 of the MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	-
The amount of payment made to the supplier beyond the appointed day during the year	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006	-
The amount of interest accrued and remaining unpaid at the end of each accounting year	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.	-

35 (A) COMPLIANCE WITH SECTION 143 (3) FOR MAINTENANCE OF BOOKS OF ACCOUNT

With effect from August 5, 2022, the Ministry of Corporate Affairs (MCA) has amended the Companies (Accounts) Rules, 2014, relating to maintenance of electronic books of account and other relevant books and papers. Pursuant to this amendment, the Company is required to maintain the books of account which are accessible in India at all times and their backup is to be kept on servers located in India on a daily basis.

The Company has a process to take daily back-up of books of account maintained in electronic mode and along with the logs of the back-up of such books of account. However, the backup of certain other books and papers; maintained on file servers, has not been maintained on servers physically located in India on daily basis.

(B) COMPLIANCE WITH SECTION 143 (3) FOR AUDIT TRAIL

The Company has used accounting softwares for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software, except that the audit trail is not maintained in case of modification by certain users with specific access. Further at the database level it has operated only towards the end of the financial year, except for certain information or data.

36 An independent review for assessing compliance with Transfer Pricing Rules for the year July 18, 2024 to March 31, 2025 is under progress. On the basis of self-assessment of the operation during the year, the management does not expect any significant deviations from the requirements of the aforesaid Transfer Pricing Rules.

37 The Company is incorporated on July 18, 2023. The financial statements are prepared for the period July 18, 2024 to March 31, 2025 as the first financial statement of the Company. Hence, comparative figures do not exist for the current period.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No. : 012754N/N500016

Amit Borkar
Partner
Membership No. 109846

Place: Pune
Date:

For and on behalf of the Board of Directors of
Thermax Vebro Polymers India Private Limited

Dinesh Satyanarayanji Mandhana
Director
DIN: 10646110

Swapnil Vitthal Dhumane
Director
DIN: 10646109

Ravi Varanasi
Chief Executive Officer

Arvind Tiwari
Chief Financial Officer

Place: Pune
Date:

For the convenience of the readers of this compilation, the audited financial statements of overseas subsidiaries prepared in local currencies, equivalent rupee amounts have also been additionally stated converted at the exchange rates as on March 31, 2025.

THERMAX EUROPE LIMITED

Board of Directors
Venkatesh Balasubramanian
Sandeep Suresh Mandke

Secretary
Connolly Accounts &
Business Advisors Ltd.

Registered Office
The Stable Yard
25-33 Vicarage Road
Stony Stratford
Milton Keynes
Buckinghamshire
MK11 1BN

Bankers
HSBC Bank Plc
60 Queen Victoria Street
London
EC4N 4TR

Auditors
CED Accountancy Services Ltd
1 Lucas Bridge Business Park
Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

STRATEGIC REPORT

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their strategic report for the year ended 31 March 2025.

REVIEW OF BUSINESS

The performance for the financial year 24-25 has been lower than what was budgeted at the beginning of the year and lower than the previous financial year.

The year closed with a turnover of £3.8 Million (previous year £5.75 Million). The pre-tax profit stands at £152,220 (previous year £344,508).

The order booking for the year stands at £5.25 Million, in line with budget..

The Chiller business continues to be driven by on-site power generation market in Italy, Germany, Spain and UK. The Heat Pump business is driven by the district heating sector and the commitment made by some of the European countries to reduce their dependency on fossil fuel and increase energy efficiencies.

The highlights of the year are a large chiller order from Serbia and from Poland.

The Service & spare parts business has been lower that budgeted owing to many onsite power generators stopped due to cost of gas.

The outlook for 2025-26 will be lower than present year due to continued Ukraine crisis that has created uncertainty in energy market, the lack of new gas contracts for new on site power generators on which the chiller business is dependent on. The focus however will remain on Germany, Italy, Eastern Europe and Scandinavia.

PRINCIPAL RISKS AND UNCERTAINTIES

The core business of Thermax Europe Ltd is the sales and service of Absorption chillers and heat pumps, manufactured by our parent company Thermax Ltd. Near term risk to the business comes from other competitors from the Far East, who could drive down the prices affecting the company's bottom line and sales. Any changes in government policies regarding energy can also affect the market for the type of equipment the company markets. The recent strides taken by renewable energy sector will be a long-term threat to businesses that directly or indirectly deal with equipment supply that rely on fossil fuel. The chillers and heat pumps the company markets falls in this category.

On financial management, the company has established a risk management framework whose primary objectives are to protect the company from events that hinder the achievement of the company's performance objectives. The objectives aim to ensure sufficient working capital exists.

SECTION 172(1) STATEMENT

Directors confirm that, during the year, they continued to promote the success of the Company for the benefit of all stakeholders. In doing so, the Board's desire to act fairly for its sole member, maintain a reputation for high standards of business conduct, and consider the long-term consequences of the decisions they take, have underpinned the way it operates.

EXPOSURE TO PRICE, CREDIT, LIQUIDITY AND CASH FLOW RISK

Cash flow risk is the exposure to variability in cash flows that is attributable to a particular risk associated with a recognised asset or liability. The Company finances its operations with cash and working capital items such as trade debtors and trade creditors that arise directly from its operations.

Liquidity risk is the risk that an entity will encounter difficulty in meeting obligations associated with financial liabilities. The company aims to mitigate liquidity risk by managing cash generation by its operations and credit facilities.

Credit risk is the risk that one party to financial instruments will cause a financial loss for that other party failing to discharge an obligation. The policy is aimed at minimising such losses and requires that the deferred terms are granted to customers who demonstrate an appropriate payment history and satisfy credit worthiness procedures. The director sets working capital targets including debtor days. Outstanding balances are reviewed by staff on a regular basis, in conjunction with debt ageing, and the Company operates a robust collection procedure.

NON-FINANCIAL INFORMATION

The company is a buy and sell company catering to European market for Absorption chillers and heat pumps. All chillers and heat pumps are manufactured by the parent company in India. The business strategy involves working with appointed distributors across continental Europe and key relationship with large contractors. In the UK the business model is working with HVAC contractors. The company also has a revenue stream from sales of spare parts and service support

Through 'Thermax Cares', the group companies are inculcating environmental consciousness into the organizational culture. We have undertaken various initiatives to encourage employees and their families to contribute to reducing the earth's carbon and water footprint. Thermax is committed to minimise the use of natural resources and the impact of its operations on nature. It remains committed to building its Natural Capital through resource efficiency and excellence in environmental performance. The company is constantly measuring and managing the impact of its business and manufacturing operations on the environment, and taking necessary measures to reduce energy, water, and material consumption

Thermax Group remains steadfastly focussed on nurturing a healthy organisation and a capable workforce, with an inclusive approach to its resources and human rights. At the core of its people policy is the company's thrust on building and retaining its critical skills, enhancing its performance potential, and developing its leadership capabilities. We provide necessary growth opportunities to have an engaged and committed workforce to drive the organisation towards growth. Some of the ways in which the company engages with the employees include open forums, online and functional training, people and leadership development, communication blogs, and celebrations like Technology Day, Environment Day, and Safety Week.

The company recognises that its business sustainability is premised on the relationships it builds with its communities. It acknowledges the importance of its societal welfare initiatives to promote sustainable growth. Its key objective is to facilitate quality education for children from economically weaker

backgrounds, to help them come out of the vicious cycle of poverty. Further, Thermax Foundation works closely with the vulnerable communities around the company's manufacturing locations, and encourages key projects based on need-based evaluation.

The company's Corporate Governance framework encompasses its transparent systems, processes, and principles. It is designed to help Thermax create wealth for its stakeholders on a sustainable basis. It enables the company to conduct its business in a smooth manner and engage with its stakeholders. The company identifies material issues by engaging with multiple stakeholders - investors, shareholders, media, government, employees, vendors and suppliers, customers, and the community.

The company has a strong culture and elaborate processes to reduce the risk of unethical conduct, including a clear code of conduct and whistle blower policy. The Company is committed to operating its businesses with integrity and adopting governance policies that promote the thoughtful and independent representation of its stakeholders' interests.

The company adheres to all applicable local and international laws including social, human rights, anti-corruption, health & safety, environmental and employment laws. The subsidiary is advised by the parent company on some of these matters and others through local external consultants.

FOREIGN CURRENCY RISK

The company's principal foreign currency exposures arise from trading with overseas companies. Company policy permits but does not demand that these exposures may be hedged in order to fix the cost in sterling.

ON BEHALF OF THE BOARD:

Sandeep Suresh Mandke

Director

Date: 04 May, 2025

Report of the Directors

FOR THE YEAR ENDED 31 MARCH 2025

The directors present their report with the financial statements of the company for the year ended 31 March 2025.

PRINCIPAL ACTIVITY

The principal activity of the company in the year under review was that of the sale and service of absorption chillers.

DIVIDENDS

No dividends will be distributed for the year ended 31 March 2025.

DIRECTORS

The directors set out in the table below have held office during the whole of the period from 1 April 2024 to the date of this report.

The directors shown below were in office at 31 March 2025 but did not hold any interest in the Ordinary shares of £1 each at 1 April 2024 or 31 March 2025.

Venkatesh Balasubramanian

Sandeep Suresh Mandke

STATEMENT OF CORPORATE GOVERNANCE ARRANGEMENTS

Details of the group's corporation governance arrangements can be found on Thermax Limited's website.

DISCLOSURE IN THE STRATEGIC REPORT

The company has chosen in accordance with the Companies Act 2006, s 414C(11) to set out in the company's strategic report information required by Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008, Sch 7 to be contained in the directors' report. It has done so in respect of:

- Business model
- Review of business
- Principal risks and uncertainties
- Section 172(1) Statement
- Exposure to price, credit, liquidity and cash flow risk
- Likely future developments in the business

STATEMENT AS TO DISCLOSURE OF INFORMATION TO AUDITORS

So far as the directors are aware, there is no relevant audit information (as defined by Section 418 of the Companies Act 2006) of which the company's auditors are unaware, and each director has taken all the steps that he ought to have taken as a director in order to make himself aware of any relevant audit information and to establish that the company's auditors are aware of that information.

ON BEHALF OF THE BOARD:

Sandeep Suresh Mandke

Director

Date: 04 May, 2025

Directors' Responsibilities Statement

FOR THE YEAR ENDED 31 MARCH 2025

The directors are responsible for preparing the Strategic Report, the Report of the Directors and the financial statements in accordance with applicable law and regulations.

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law). Under company law the directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs of the company and of the profit or loss of the company for that period. In preparing these financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and accounting estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements;
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the company will continue in business.

The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Report of the Independent Auditors to the Members of Thermax Europe Limited

Opinion

We have audited the financial statements of Thermax Europe Limited (the 'company') for the year ended 31 March 2025 which comprise the Income Statement, Other Comprehensive Income, Balance Sheet, Statement of Changes in Equity, Cash Flow Statement and Notes to the Cash Flow Statement, Notes to the Financial Statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion the financial statements:

- give a true and fair view of the state of the company's affairs as at 31 March 2025 and of its profit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditors' responsibilities for the audit of the financial statements section of our report. We are independent of the company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Conclusions relating to going concern

In auditing the financial statements, we have concluded that the directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

Other information

The directors are responsible for the other information. The other information comprises the information in the Strategic Report, the Report of the Directors and the Directors' Responsibilities Statement, but does not include the financial statements and our Report of the Auditors thereon.

Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. 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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Strategic Report and the Report of the Directors for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the Strategic Report and the Report of the Directors have been prepared in accordance with applicable legal requirements.

Matters on which we are required to report by exception

In the light of the knowledge and understanding of the company and its environment obtained in the course of the audit, we have not identified material misstatements in the Strategic Report or the Report of the Directors.

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion:

- adequate accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of directors' remuneration specified by law are not made; or

- we have not received all the information and explanations we require for our audit.

Responsibilities of directors

As explained more fully in the Directors' Responsibilities Statement set out on page five, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditors' 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 a Report of the Auditors that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Detecting Irregularities

The engagement partner ensured that the engagement team had the appropriate competence, capabilities and skills to identify or recognise non compliance with applicable laws and regulations;

we identified the laws and regulations applicable to the company through discussions with directors and other management;

we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the company, including the Companies Act 2006, taxation legislation, employment environmental and health and safety legislation;

we assessed the extent of compliance with the laws and regulations identified above;

we communicated identified laws and regulations within the audit team who remained alert to instances of non-compliance.

We assessed the susceptibility of the company's financial statements to material misstatement including obtaining an understanding of how fraud might occur, by;

- making enquiries of management as to whether they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud;
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations; and
- understanding the design of the company's remuneration policies.
- requesting confirmation of opening balances and carrying out further audit procedures as required.

To address the risk of fraud through management bias and override of controls, we;

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;

In response to the risk of non-compliance with laws and regulations, we designed procedures which included, but were not limited to;

- agreeing financial statement disclosures to underlying supporting documentation;
- enquiring of management as to actual and potential litigation and claims; and
- reviewing correspondence with HMRC and the company's legal advisors.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at www.frc.org.uk/auditorsresponsibilities. This description forms part of our Report of the Auditors.

Use of our report

This report is made solely to the company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the company's members those matters we are required to state to them in a Report of the Auditors and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the company and the company's members as a body, for our audit work, for this report, or for the opinions we have formed.

Duncan J E Mitchell FCA (Senior Statutory Auditor)
for and on behalf of CED Accountancy Services Ltd
1 Lucas Bridge Business Park
Old Greens Norton Road
Towcester
Northamptonshire
NN12 8AX

Date: 04 May, 2025

Income Statment
For the year ended March 31, 2025

Particulars	NOTE	2025		2024	
		£	Rs Lacs	£	Rs Lacs
Revenue	4	**37,89,971**	**4,184.51**	57,55,157	6,058.79
Cost of sales		**27,82,094**	**3,071.71**	44,27,605	4,661.20
Gross profit		**10,07,877**	**1,112.80**	13,27,552	1,397.59
Administrative expenses		**10,56,750**	**1,166.76**	11,17,812	1,176.79
Operating profit	6	**(48,873)**	**(53.96)**	2,09,740	220.81
Interest receivable and similar income		**2,01,093**	**222.03**	1,34,769	141.88
Profit before taxation		**1,52,220**	**168.07**	3,44,509	362.68
Tax on Profit	8	**34,955**	**38.59**	88,289	92.95
PROFIT FOR THE FINANCIAL YEAR		**1,17,265**	**129.47**	2,56,220	269.74

The notes form part of these financial statements

Exchange rate : as at 31 March 2025 is £= Rs 110.41

Exchange rate : as at 31 March 2024 is £= Rs 105.27

Balance Sheet as at 31 March 2025

Particulars	NOTE	2025		2024	
		£	Rs Lacs	£	Rs Lacs
Fixed assets					
Property, Plant and Equipment	9	**3,658**	**4.04**	6,778	7.14
Current assets					
Inventories	10	**11,24,076**	**1,241.09**	82,969	87.35
Debtors	11	**25,39,972**	**2,804.39**	17,27,030	1,818.14
Cash at bank and in hand		**62,10,331**	**6,856.84**	56,42,586	5,940.28
		98,74,379	**10,902.32**	74,52,585	7,845.77
Creditors:					
Amounts falling due within one year	12	**(29,12,906)**	**(3,216.14)**	(6,10,729)	(642.95)
Net current assets		**69,61,473**	**7,686.17**	68,41,856	7,202.82
Total assets less current liabilities		**69,65,131**	**7,690.21**	68,48,634	7,209.96
Provision for liabilities	15	**927**	**1.02**	1,695	1.78
Net Assets		**69,64,204**	**7,689.19**	68,46,939	7,208.17
Capital and reserves					
Called up share capital	16	**2,00,000**	**220.82**	2,00,000	210.55
Retained Earnings	17	**67,64,204**	**7,468.37**	66,46,939	6,997.62
Shareholders' funds		**69,64,204**	**7,689.19**	68,46,939	7,208.17

The financial statements were approved by the Board of Directors and authorised for issue on 04 May,2025 and were signed on its behalf by:

Sandeep Suresh Mandke

Director

Cash Flow Statement for the year ended 31 March 2025

Particulars	NOTE	2025		2024	
		£	Rs Lacs	£	Rs Lacs
Cash flow from operating activities					
Cash generated from operations	1	**4,54,184**	**501.47**	1,54,199	162.33
Tax Paid		**(87,200)**	**(96.28)**	(31,406)	(33.06)
Net cash from operating activities		**3,66,984**	**405.19**	1,22,793	129.27
Cash flow from investing activities					
Purchase of tangible fixed asset		**(332)**	**(0.37)**	(4,653)	(4.90)
Sale of tangible fixed assets		**-**	**-**	1,709	1.80
Loan repayment		**-**	**-**	26,31,579	2,770.42
Interest received		**2,01,093**	**222.03**	1,34,769	141.88
Net cash from investing activities		**2,00,761**	**221.66**	27,63,404	2,909.20
(Decrease)/Increase in cash and cash equivalents		**5,67,745**	**626.85**	28,86,197	3,038.47
Cash and cash equivalents at the beginning of the year	2	**56,42,586**	**6,229.99**	27,56,389	2,901.81
Cash and cash equivalents at the end of the year	2	**62,10,331**	**6,856.84**	56,42,586	5,940.28

Other Comprehensive Income for the year ended 31 March 2025

Particulars	NOTE	2025		2024	
		£	Rs Lacs	£	Rs Lacs
Profit for the Year		**1,17,265**	**129.47**	2,56,220	269.74
Other Comprehensive Income		**-**	**-**	-	-
Total Comprehensive Income For The Year		**1,17,265**	**129.47**	2,56,220	269.74

Statement of Changes in Equity For the Year Ended March 31, 2025

Particulars	Capital		Accumulated Profit		Total Equity	
	£	Rs Lacs	£	Rs Lacs	£	Rs Lacs
Balance at 1 April 2023	2,00,000	210.55	63,90,719	6,727.88	65,90,719	6,938.43
Change in Equity:						
Total comphrensive income	-	-	2,56,220	269.74	2,56,220	269.74
Balance at 31 March 2024	2,00,000	210.55	66,46,939	6,997.62	68,46,939	7,208.17
Changes in Equity:						
Total comphrensive income	**-**	**-**	**1,17,265**	**129.47**	**1,17,265**	**129.47**
Balance at 31 March 2025	**2,00,000**	**220.82**	**67,64,204**	**7,468.37**	**69,64,204**	**7,689.19**

THERMAX EUROPE LIMITED

Notes to the Cash Flow Statement
For the year ended 31 March 2025

1. RECONCILIATION OF PROFIT BEFORE TAXATION TO CASH GENERATED FROM OPERATIONS

	2025	2024
	£	£
Profit before taxation	**152,220**	344,509
Depreciation charges	**3,452**	4,138
Profit on disposal of fixed assets	**-**	(210)
Finance income	**(201,093)**	(134,769)
	(45,421)	213,668
Decrease/(increase) in inventories	**(1,041,107)**	1,062,277
(Increase)/Decrease in trade and other debtors	**(885,467)**	255,825
(Decrease)/increase in trade and other creditors	**2,426,179**	(1,377,571)
Cash generated from operations	**454,184**	154,199

2. Cash and cash equivalents

The amounts disclosed on the Cash Flow Statement in respect of cash and cash equivalents are in respect of these Balance Sheet amounts:

Year ended 31 March 2025

	2025	2024
	£	£
Cash and cash equivalents	**6,210,331**	5,642,586

Year ended 31 March 2024

	2024	2023
	£	£
Cash and cash equivalents	**5,642,586**	2,756,389

3. Analysis of changes in net funds

	At 1.4.24	Cash flow	At 31.3.25
	£	£	£
Net cash			
Cash at bank and in hand	5,642,586	567,745	**6,210,331**
	5,642,586	567,745	**6,210,331**
Total	5,642,586	567,745	**6,210,331**

Notes to Financial Statements
For the year ended 31 March 2025

1. STATUTORY INFORMATION

Thermax Europe Limited is a private company, limited by shares, registered in England and Wales. The company's registered number and registered office address can be found on the Company Information page.

2. ACCOUNTING POLICIES

Basis of preparing the financial statements

These financial statements have been prepared in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" and the Companies Act 2006. The financial statements have been prepared under the historical cost convention.

The financial statements are prepared in sterling, which is the functional currency of the company. Monetary amounts in these financial statements are rounded to the nearest £.

This company is a qualifying entity for the purposes of FRS 102, being a member of a group where the parent of that group prepares publicly available consolidated financial statements, including this company, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the group. The company has therefore taken advantage of exemptions from the following disclosure requirements:

- Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instrument Issues: The disclosure requirements of paragraphs 11.42, 11.44, 11.45, 11.47, 11.48(a)(iii), 11.48(a)(iv), 11.48(b), 11.48(c), 12.26, 12.27, 12.29(a), 12.29(b), and 12.29A.

- Section 33 'Related Party Disclosures': Compensation for key management personnel

The financial statements of the company are consolidated in the financial statements of Thermax Limited. These consolidated financial statements are available from its registered office Thermax House, 14 Mumbai Pune Road, Wakdewadi, Pune 411 003 India.

Turnover

Revenue is measured at the fair value of the consideration received or receivable, excluding discounts, rebates, value added tax and other sales taxes.

Tangible fixed assets

Depreciation is provided at the following annual rates in order to write off each asset over its estimated useful life.

Plant & machinery - 20% on cost

Fixtures and fittings - 20% on cost

Computer equipment - 33.33% on cost

Stocks

Inventories are valued at the lower of cost and net realisable value, after making due allowance for obsolete and slowmoving items.

Financial instruments

Financial instruments are recognised in the company's balance sheet when the company becomes party to the contractual provision of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Notes to Financial Statements March 31, 2025

Basic Financial Assets

Basic financial assets, which include debtors and cash and bank balances, are initially measured at transaction price including transaction costs and are subsequently carried at amortised costs using the effective interest method unless the arrangement constitutes a financing transaction, where the transaction is measured at the present value of the future receipts discounted at a market rate of interest. Financial assets classified as receivable within one year are not amortised.

Classification of financial liabilities

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is a contract that evidences a residual interest in the assets of the company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, including creditors and loans from related companies are initially recognised at transaction price unless the arrangement constitutes a financing transaction, where the debt instrument is measured at the present value of the future payments discounted at a market rate of interest. Financial liabilities classified as payable within one year are not amortised.

Debt instruments are subsequently carried at amortised costs, using the effective interest rate method.

Trade creditors are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Amounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade creditors are recognised initially at transaction price and subsequently measured at amortised cost using the effective interest method.

Taxation

Taxation for the year comprises current and deferred tax. Tax is recognised in the Income Statement, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current or deferred taxation assets and liabilities are not discounted.

Current tax is recognised at the amount of tax payable using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax

Deferred tax is recognised in respect of all timing differences that have originated but not reversed at the balance sheet date.

Timing differences arise from the inclusion of income and expenses in tax assessments in periods different from those in which they are recognised in financial statements. Deferred tax is measured using tax rates and laws that have been enacted or substantively enacted by the year end and that are expected to apply to the reversal of the timing difference.

Unrelieved tax losses and other deferred tax assets are recognised only to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits.

Foreign currencies

Assets and liabilities in foreign currencies are translated into sterling at the rates of exchange ruling at the balance sheet date. Transactions in foreign currencies are translated into sterling at the rate of exchange ruling at the date of transaction. Exchange differences are taken into account in arriving at the operating result.

Hire purchase and leasing commitments

Rentals paid under operating leases are charged to profit or loss on a straightline basis over the period of the lease.

Pension costs and other post-retirement benefits

The company operates a defined contribution pension scheme. Contributions payable to the company's pension scheme are charged to profit or loss in the period to which they relate.

3. CRITICAL ACCOUNTING JUDGEMENTS & KEY SOURCES OF ESTIMATION UNCERTAINTY

The group makes estimates and assumptions concerning the future. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are addressed below

Stock: The Company makes a periodic estimation of any possible impairment to stock taking into account a number of factors including: its commercial value in the current market; signs of significant or irreparable damage; and any potential items considered to be worth less than cost or deemed worthless. When assessing the carrying value of the stock, these factors are taken into consideration.

Debtors: The Company makes an estimate of the recoverable value of trade and other debtors. When assessing the potential impairment of trade and other debtors, management considers factors including the current credit rating of the debtor, the ageing profile of debtors and the historical experience of the relationship with that debtor. Please also refer to 11 for the net carrying amount of the debtors and any associated impairment provision.

Creditors: Provision is made for commissioning costs of units fully invoiced but not yet commissioned. This requires management's best estimate of the expenditure that will be incurred based on contractual requirements. Management consider factors including the complexity of the machines and the estimated hours that would be required to fulfil the contract.

4. REVENUE

The revenue and profit before taxation are attributable to the one principal activity of the company.

An analysis of revenue by geographical market is given below:

	2025	2024
	£	£
United Kingdom	**351,781**	732,911
Europe	**2,411,432**	5,022,246
Saudi Arabia	**1,026,758**	-
	3,789,971	5,755,157

5. EMPLOYEES AND DIRECTORS

	2025	2024
	£	£
Wages and salaries	**294,055**	319,821
Social security costs	**26,920**	31,234
Other pension costs	**15,868**	15,329
	336,843	366,384

The average number of employees during the year was as follows:

	2025	2024
Director	**2**	2
Admin	**5**	6
	7	8

	2025	2024
	£	£
Directors' remuneration	**-**	-

THERMAX EUROPE LIMITED

Notes to Financial Statements March 31, 2025

6. OPERATING PROFIT /(LOSS)

The operating loss (2024 - operating profit) is stated after charging/ (crediting):

	2025	2024
	£	£
Other operating leases	**9,286**	9,230
Depreciation - owned assets	**3,452**	4,138
Profit on disposal of fixed assets	**-**	(210)
Foreign exchange differences	**75,012**	182,084

7. AUDITORS' REMUNERATION

	2025	2024
	£	£
CED Accountancy Services Limited (annual statutory audit)	**9,540**	9,800
SRBC & Co. LLP (quarterly group audit)	**Nil**	16,008
CED Accountancy Services Limited (quarterly group audit)	**6,352**	Nil
	15,892	25,808

8. TAXATION

Analysis of the tax charge

The tax charge on the profit for the year was as follows:

	2025	2024
	£	£
Current tax:		
UK corporation tax	**35,723**	88,535
Deferred tax	**(768)**	(246)
Tax on profit	**34,955**	88,289

Reconciliation of total tax charge included in profit and loss

The tax assessed for the year is lower than the standard rate of corporation tax in the UK. The difference is explained below:

	2025	2024
	£	£
Profit before tax	**152,220**	344,509
Profit multiplied by the standard rate of corporation tax in the UK of 24% (2024-25%)	**36,533**	86,127
Effects of:		
Expenses not deductible for tax purposes	**123**	441
Depreciation in excess of capital allowances	**774**	246
Bad debt provision	**(1,707)**	1,721
Deferred tax	**(768)**	(246)
Total tax charge	**34,955**	88,289

9. PROPERTY, PLANT AND EQUIPMENT

	Plant & machinery	Fixtures and fittings	Computer equipment	Totals
	£	£	£	£
COST				
At 1 April 2024	**1,717**	**8,329**	**10,759**	**20,805**
Additions	-	332	-	332
At 31 March 2025	**1,717**	**8,661**	**10,759**	**21,137**
DEPRECIATION				
At 1 April 2024	1,464	3,755	8,808	14,027
Charge for year	253	1,699	1,500	3,452
At 31 March 2025	**1,717**	**5,454**	**10,308**	**17,479**
NET BOOK VALUE				
At 31 March 2025	**-**	**3,207**	**451**	**3,658**
At 31 March 2024	**253**	**4,574**	**1,951**	**6,778**

10. INVENTORIES

	2025	2024
	£	£
Stocks and consumables	**1,124,076**	82,969

Stock has been impaired by £79,548 (2024: £55,715) due to obsolescence.

11. DEBTORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade debtors	**2,158,838**	1,266,256
Amounts owed by group undertakings	**9,882**	83,797
Recharges	**28,246**	24,718
Other Debtors	**333,220**	340,187
Tax	**1,390**	-
VAT	**-**	4,075
Prepayments	**8,396**	7,997
	2,539,972	1,727,030

An amount of £771,985 (2024 - £785,182) included in trade debtors is currently in dispute. Following the year end the parent company have agreed to underwrite £539,774 of this debt owing to non-payment of the amount receivable. No further income is expected and a bad debt adjustment of £232,211 has been included in the accounts accordingly.

12. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	2025	2024
	£	£
Trade creditors	**42,997**	31,431
Amounts owed to group undertakings	**1,509,911**	80,850
Tax	**3,723**	53,810
Social security and other taxes	**10,023**	6,602
VAT	**12,296**	-
Customer advance payments	**1,056,784**	168,039
Accrued expenses	**277,172**	269,997
	2,912,906	610,729

Notes to Financial Statements March 31, 2025

13. LEASING AGREEMENTS

Minimum lease payments under non-cancellable operating leases fall due as follows:

	2025	2024
	£	£
Within one year	**20,381**	25,142
Between one and five years	**23,840**	14,644
	44,221	39,786

14. FINANCIAL INSTRUMENTS

The carrying amount for each category of financial instruments is as follows:

Financial instruments that are debt instruments measured at amortised cost

	2025	2024
	£	£
Financial instruments that are debt instruments measured at amortised cost	**2,435,397**	1,374,771

Financial liabilities measured at amortised cost

	2025	2024
	£	£
Financial liabilities measured at amortised cost	**1,552,908**	112,281

15. PROVISIONS FOR LIABILITIES

	2025	2024
	£	£
Deferred tax	**927**	1,695

	Deferred tax
	£
Balance at 1 April 2024	**1,695**
Utilised during year	**(768)**
Balance at 31 March 2025	**927**

16. CALLED UP SHARE CAPITAL

Allotted, issued and fully paid:

Number:	Class:	Nominal value:	2025	2024
200,000	Ordinary	£1	**200,000**	200,000

17. RESERVES

	Retaining earnings
	£
At 1 April 2024	**6,646,939**
Profit for the year	**117,265**
At 31 March 2025	**6,764,204**

18. PENSION COMMITMENTS

The company operates a defined contributions pension scheme. The assets of the scheme are held separately from those of the company in an independently administered fund.

The amount recognised in the profit or loss as an expense in relation to the defined contribution plan was £15,868 (2024: £15,329)

Contributions totalling £1,709 (2024: £1,564) were payable to the fund at the balance sheet date and are included in creditors.

19. RELATED PARTY DISCLOSURES

Thermax Limited owns 100% of the shares in Thermax Europe Limited.

During the year Thermax Europe Limited were reimbursed expenses incurred amounting to £19,874 (2024: £90,001) from Thermax Limited.

During the year Thermax Europe Limited made sales amounting to £21,471 (2024: £118,302) to Danstoker A/S.

Purchases were made in the year from Thermax Limited of £3,469,559 (2024: £2,919,447), and Rifox-Hans Richter Gmbh £105,674 (2024: £192,637).

At 31/03/2025 Thermax Europe Limited was owed £5,998 (2024: £83,797) from Thermax Limited.

Thermax Europe Limited also owed £1,509,911 (2024: £80,850) to Thermax Limited and £Nil (2024: £1,353) to Rifox-Hans Richter Gmbh.

20. ULTIMATE CONTROLLING PARTY

The ultimate parent undertaking is RDA Holdings Private Limited, a company incorporated in India.

The immediate parent company is Thermax Limited, a company incorporated in India.

THERMAX INTERNATIONAL LIMITED

Board of Directors

Mr Pheroz Pudumjee
(Date appointed : 21-Feb-00; Date resigned : 12-Jan-15)
Mrs Meher Pudumjee
(Date appointed : 21-Jul-00; Date resigned : 12-Jan-15)
Mr Yuvraj Thacoor
(Date appointed : 15-May-03; Date resigned : 23-Jan-15)
Mr A. Sattar Hajee Abdoula
(Date appointed : 04-Jan-08; Date resigned : 23-Jan-15)
Mr Gajanan Kulkarni
(Date appointed : 12-Jan-15; Date resigned : 21-Dec-15)
Mr Amit Govind Atre
(Date appointed : 15-Mar-16; Date resigned : 12-Jan-17)
Mr Amitabha Mukhopadhyay
(Date appointed : 12-Jan-15; Date resigned : 31-May-19)
Mr Shailesh Bhalchandra Nadkarni
(Date appointed : 12-May-17; Date resigned : 24-Sept-19)
Ms Farhana Alimohamed
(Date appointed : 23-Jan-15)
Mr Nundan Sharma Doorgakant
(Date appointed : 23-Jan-15)
Mr Rajendran Arunachalam
(Date appointed : 22-Aug-19: Date resigned : 27-Sep-22)
Mr. Sandeep Madke
(Date appointed : 27-Sep-22)

Registered Office

C/o Anex Management Services Ltd
8th Floor, Ebene Tower
52, Cybercity
Ebene
Mauritius

Auditors

Yousouf Peerbaye, F.C.A
Chartered Accountants
6th Floor, Richard House
Remy Ollier Street, Port Louis
Republic of Mauritius

Administrator & Company Secretary

Anex Management Services Ltd
8th Floor, Ebene Tower
52, Cybercity
Ebene
Mauritius

Bankers

HHSBC Bank (Mauritius) Ltd
HSBC Centre
18, Cyber City, Ebene,
Republic of Mauritius

Commentary of the directors

The directors have the pleasure to submit their commentary to the directors together with the audited financial statements of Thermax International Limited, (the "Company"), for the year ended 31 March 2025.

Principal activity

The principal activity of the Company is that of investment holding and investing in the sectors involved in the manufacturing and supplying of industrial equipment based on Energy and environmental management.

Results

Details of the financial position, results of operations and cash flow of the Company are set out in these financial statements.

Directors

The present membership of the Board is set out on page 2.

Directors' responsibilities with respect to the financial statements

Company law requires the directors to prepare financial statements for each financial year, which present fairly the financial position, financial performance, changes in equity and cash flow of the Company. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether International Financial Reporting Standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company will continue in business.

The directors confirm that they have complied with the above requirements in preparing the financial statements.

The directors are responsible for keeping proper accounting records, which disclose with reasonable accuracy at any time the financial position of the Company and to enable them to ensure that the financial statements comply with the Mauritius Companies Act 2001. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

The auditor, Yousouf Peerbaye, has indicated his willingness to continue in office and a resolution concerning his re-appointment will be proposed at the Annual Meeting of the shareholder.

Certificate from the secretary

We certify that, to the best of our knowledge and belief, THERMAX INTERNATIONAL LIMITED, (the "Company"), has filed with the Registrar of Companies all such returns as are required of the Company under the Mauritius Companies Act 2001 in terms of Section 166(d) for the year ended 31 March 2025.

for Anex Management Services Ltd
Corporate secretary

Date: 28th April 2025

Independent auditors' report

To the member of THERMAX INTERNATIONAL LIMITED

Report on the audit of the Financial Statements

Opinion

We have audited the financial statements of THERMAX INTERNATIONAL LIMITED, (the "Company"), which comprise of the statement of financial position at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory notes.

In our opinion, the financial statements on pages 8 to 24 give a true and fair view of the financial position of the Company 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as modified by the exemption from consolidation in the Mauritius Companies Act 2001 for companies holding a Category 1 Global Business Licence and comply with the Mauritius Companies Act 2001.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing. 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 ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information other than the Financial Statements and Auditors' Report Thereon ("Other Information")

The directors are responsible for the other information. The other information comprises the Directors' Report, the Certificate from the Secretary and the Statement of Profit or Loss and Other Comprehensive Income as required by the Mauritius Companies Act 2001 of Mauritius, which we obtained prior to the date of this report. Other information 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 an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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

Management is responsible for the preparation of the financial statements in accordance with International Financial Reporting Standards and comply with the requirements or the Mauritius Companies Act 2001, and for such internal control as management determines is necessary to enable the preparation of the financial statements that 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 have realistic alternative but to do so. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditors' 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 ISAs will always detect a material misstatement when it exists.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken based on these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgement and maintain professional scepticism 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 the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

Conclude on the appropriateness of the directors' 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 auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.

Auditors' Responsibilities for the audit of the Financial Statements

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

Report on Other Legal and Regulatory Requirements

In accordance with the requirements of Mauritius Companies Act 2001, we report as follows

- we have no relationship with, or any interests in, the Company other than in our capacity as auditors;
- we have obtained all the information and explanations we have required; and
- in our opinion, proper accounting records have been kept by the Company as far as it appears from our examination of those records.

Date: 24 April 2025

THERMAX INTERNATIONAL LIMITED

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

	Note	2025		2024	
		USD	**Rs Lacs**	USD	Rs Lacs
ASSETS					
Non-current assets					
Investments	6	**9,00,498**	**769.66**	9,00,498	751.02
		9,00,498	**769.66**	9,00,498	751.02
Current assets					
Trade & other receivables			**-**	2,195	1.83
Cash and cash equivalent	7	**31,44,762**	**2,687.83**	14,27,073	1190.18
Other receivables	8	**19,522**	**16.69**	22,150	18.47
		31,64,284	**2,704.51**	14,51,418	1210.48
Total assets		**40,64,782**	**3,474.17**	23,51,916	1961.50
EQUITY AND LIABILITIES					
Capital and reserves					
Stated Capital	9	**34,42,300**	**2,942.13**	34,42,300	2,870.88
Accumulated losses		**1,03,389**	**88.37**	(15,72,937)	(1,311.83)
		35,45,689	**3,030.50**	18,69,363	1559.05
Current liabilities					
Trade and other payable	10	**2,850**	**2.44**	-	-
Accruals	10	**4,50,470**	**385.02**	4,50,225	375.49
Tax Liability	5	**65,773**	**56.22**	32,328	26.96
		5,19,093	**443.67**	4,82,553	402.45
Total equity and liabilities		**40,64,782**	**3,474.17**	23,51,916	1961.50

Approved by the Board of Directors on 9th May 2023 and signed on its behalf by:

Farhana Alimohamed
Director

Nundan Sharma Doorgakant
Director

The notes on page 12 to 25 form an integral part of these financial statements.

STATEMENT OF PROFIT AND LOSS AND OTHER COMPHRENSIVE INCOME
FOR THE YEAR ENDED 31 MARCH 2025

	2025		2024	
	USD	**Rs Lacs**	USD	Rs Lacs
INCOME				
Dividend	**18,87,041**	**1,573.79**	12,00,000	1,000.80
Interest	**70,466**	**58.77**	38,420	32.04
	19,57,507	**1,632.56**	12,38,420	1,032.84
EXPENSES				
Licence Fees	**2,860**	**2.39**	2,860	2.39
Bank charges	**3,123**	**2.60**	3,180	2.65
Audit Fees	**2,496**	**2.08**	2,300	1.92
Accountancy Fees	**2,925**	**2.44**	2,925	2.44
Professional Fees	**10,400**	**8.67**	10,625	8.86
Taxation Fees	**1,200**	**1.00**	1,200	1.00
Other expense	**1,88,094**	**156.87**	1,20,021	100.10
	2,11,098	**176.06**	1,43,111	119.35
(Loss) / Profit before taxation	**17,46,409**	**1,456.51**	10,95,309	913.49
Taxation	**(70,083)**	**(58.45)**	(32,328)	(26.96)
Profit / (Loss) for the year	**16,76,326**	**1,398.06**	10,62,981	886.53
Other Comprehensive Income:				
Items that will not be reclassified subsequently to profit & loss	**-**	**-**	-	-
Items that will be reclassified subsequently to profit & loss	**-**	**-**	-	-
Other comprehensive income for the year, net of tax	**-**	**-**	-	-
Total comprehensive income for the year	**16,76,326**	**1,398.06**	10,62,981	886.53

Exchange Rate : as at 31 March 2025 is 1 US $ = Rs 85.47

Exchange Rate : as at 31 March 2024 is 1 US $ = Rs 83.40

The notes on page 12 to 25 form an integral part of these financial statements.

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Stated Capital		Accumulated Losses		Total	
	USD	**Rs Lacs**	**USD**	**Rs Lacs**	**USD**	**Rs Lacs**
Balances at 1st April 2023	34,42,300	2,870.88	(26,35,917)	(2,198.35)	8,06,383	672.52
Profit for the year	-	-	10,62,981	886.53	10,62,981	886.53
Balances as at 31st March 2024	34,42,300	2,870.88	(15,72,936)	(1,311.83)	18,69,364	1,559.05
Balances at 1st April 2024	**34,42,300**	**2,870.88**	**(15,72,936)**	**(1,311.83)**	**18,69,364**	**1,559.05**
Profit for the year	**-**	**-**	**16,76,326**	**1,432.76**	**16,76,326**	**1,432.76**
Balances as at 31st March 2025	**34,42,300**	**2,942.13**	**1,03,390**	**88.37**	**35,45,690**	**3,030.50**

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	2025		2024	
	USD	**Rs Lacs**	USD	Rs Lacs
Cash flows from operating activities				
(Loss)/Profit for the year	**17,46,409**	**1,492.66**	10,95,309	913.49
Adjustment for:				
Tax Paid	**(36,638)**	**(31.31)**	-	-
Increase/ decrease in receivables and prepayments	**4,823**	**4.12**	(21,828)	(18.20)
(Increase)/ Decrease in accounts payables	**3,095**	**2.65**	(650)	(0.54)
Net cash from operating activities	**17,17,689**	**1,468.11**	10,72,831	894.74
Cash flows from investing activities				
Investment in subsidiary	**-**	**-**	-	-
Net cash outflow from investing activities	**-**	**-**	-	-
Net Increase/(Decrease) in cash and cash equivalents	**17,17,689**	**1,468.11**	10,72,831	894.74
Cash and cash equivalents at beginning of the year	**14,27,073**	**1,219.72**	3,54,242	295.44
Cash and cash equivalents at end of year	**31,44,762**	**2,687.83**	14,27,073	1,190.18
Cash and cash equivalents made up of:				
Cash in hand	**67**	**0.06**	67	0.06
Bank balance	**31,44,695**	**2,688**	14,27,006	1,190.12
	31,44,762	**2,687.83**	14,27,073	1,190.18

The notes on page 12 to 25 form an integral part of these financial statements.

THERMAX INTERNATIONAL LIMITED

Notes to the financial statements
For the year 31 March 2025

Corporate information

THERMAX INTERNATIONAL LIMITED (the "Company"), is a private company with limited liability and was incorporated in the Republic of Mauritius on 24 January 2000. The Company was granted a Category 1 Global Business Licence under the Financial Services Act 2007. (The surviving Act of the former Financial Services Development Act 2001)

The principal activity of the Company is that of investment holding and investing in the sectors involved in the manufacturing and supplying of industrial equipment based in Energy and environmental management.

The registered office is at 8th floor Ebene Tower, 52 Cybercity, Ebene, Republic of Mauritius.

1. Significant Accounting Policies

The principal accounting policies applied in the preparation of these financial statements are set out below.

1.1 Basis of preparation

The financial statements have been prepared on the going concern basis in accordance with, and in compliance with, International Financial Reporting Standards ("IFRS") and International Financial Reporting Interpretations Committee ("IFRIC") interpretations issued and effective at the time of preparing these financial statements and the Mauritius Companies Act 2001.

The financial statements have been prepared on the historic cost convention, unless otherwise stated in the accounting policies which follow and incorporate the principal accounting policies set out below. They are presented in US Dollars, which is the Company's functional currency.

2. Application of new and revised IFRS

2.1 New and revised standards

The following are the revised standards and interpretation issued by the IASB in 2021:

	Effective for accounting period beginning on or after
Interest Rate Benchmart Reform – Phase 2 – Amendment to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16	1 January 2021

Management has assessed the impact of these new and revised standards and interpretation and concluded that none of them have an impact on these financial statements.

2.2 Standards and interpretations not yet effective

There are certain standards and interpretations which apply for the first time to financial reporting periods commencing on or after 01 January 2022. These relevant standards and interpretations are being evaluated by management as to their impact on the financial statements.

Standard / Interpretation:	Effective date: Years beginning on or after	Expected impact:
1. Classification of Liabilities as current or non –current – Amendment to IAS 1	01 January 2022 (possibly deferred to 01 January 2023)	The impact of the standard is not material.
2. Property, Plant and Equipment: Proceeds before intended use- Amendments to IAS 16	01 January 2022	The impact of the standard is not material
3. Onerous Contracts – cost of fulfilling a contract - Amendment to IAS 37	01 January 2022	The impact of the standard is not material
4. Annual improvements to IFRS Standards 2018-2020	01 January 2022	The impact of the standard is not material
5. Disclosure of Accounting Policies – Amendments to IAS 1 and IFRS Practice Statement 2	01 January 2023	The impact of the standard is not material
6. Definition of Accounting Estimates – Amendments to IAS 8	01 January 2023	The impact of the standard is not material

3. Summary of accounting policies

3.1 Overall considerations

The financial statements have been prepared using the significant accounting policies and measurement bases summarised below.

3.2 Financial instruments

Recognition and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and all substantial risks and rewards are transferred. A financial liability is derecognised when it is extinguished, discharged, cancelled or expires.

Classification and initial measurement of financial assets

Except for those receivables that do not contain a significant financing component and are measured at the transaction price in accordance with IFRS 15, all financial assets are initially measured at fair value adjusted for transaction costs, where appropriate.

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories:

- amortised cost
- fair value through profit and loss ("FVTPL")
- fair value through other comprehensive income ("FVOCI")

In the current period, the Company does not have any financial assets categorised as FVTPL and FVOCI.

The classification is determined by both:

- the entity's business model for managing the financial asset; and
- the contractual cash flow characteristics of the financial asset.

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance income, finance cost or other financial items, except for impairment of receivables which is presented within other expenses.

Notes to the financial statements
For the year 31 March 2025

Classification and subsequent measurement of financial assets

Financial assets at amortised cost

Financial assets are measured at amortised cost if the assets meet the following conditions (and are not designated as FVTPL):

- they are held within a business model whose objective is to hold the financial assets and collect its contractual cash flows; and
- the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding.

After initial recognition, these are measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial. The Company's cash and cash equivalents and trade and most of its receivables fall into this category of financial instruments.

Impairment of financial assets

IFRS 9's impairment requirements use more forward-looking information to recognise expected credit losses – the 'expected credit loss (ECL) model'. This replaces IAS 39's 'incurred loss model'. Instruments within the scope of the new requirements include mainly trade receivables.

Recognition of credit losses is no longer dependent on the Company first identifying a credit loss event. Instead the Company considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions, reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Impairment of financial assets

The Company makes use of a simplified approach in accounting for trade receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cashflows, considering the potential for default at any point during the life of the financial instrument. In calculating, the Company uses its historical experience, external indicators and forward-looking information to calculate the expected credit losses.

The Company assess impairment of trade receivables on a collective basis as they possess shared credit risk characteristics and they have been grouped based on the days past due.

The Company writes off a financial asset when there is information indicating that the debtor is in severe difficulty and there is no realistic prospect of recovery. Receivables or other financial assets written off are still subject to recovery procedures based on legal advices.

Classification and measurement of financial liabilities

The Company's financial liabilities include trade and other payables and loans from related parties.

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss.

Subsequent measurement of financial liabilities

Subsequently, financial liabilities are measured at amortised cost using the effective interest method.

All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

3.3 Foreign currency

Functional and presentation currency

The financial statements are presented in US Dollars "USD", which is also the functional currency of the Company.

Foreign currency transactions and balances

Foreign currency transactions are translated into the functional currency, using the exchange rates prevailing at the dates of the transactions (spot exchange rate). Foreign exchange gains and losses resulting from the settlement of such transactions and from the re-measurement of monetary items denominated in foreign currency at year-end exchange rates are recognised in the statement of comprehensive income.

Non-monetary items are not retranslated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date), except for non-monetary items measured at fair value which are translated using the exchange rates at the date when fair value was determined.

3.4 Cash and cash equivalents

Cash and cash equivalents comprise cash at bank, together with other short-term, highly liquid investments maturing within 90 days from date of acquisition, that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.5 Trade receivables

Trade receivables are in respect of products sold in the ordinary course of business and are classified as current assets if settlement is expected within one year.

Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method, less provision for impairment. Discounting is omitted where the effect of discounting is immaterial.

3.6 Trade payables

Trade payables are in respect of services provided and products acquired in the ordinary course of business and are classified as current liabilities if payment is due within one year.

Trade payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method. Discounting is omitted where the effect of discounting is immaterial.

3.7 Operating leases

Where the Company is a lessee, payments on operating lease agreements are recognised as an expense on a straight-line basis over the lease term. Associated costs, such as maintenance and insurance, are expensed as incurred.

3.8 Equity

Stated capital is determined using the nominal value of shares that have been issued.

Loss for the period consists of the current period results as disclosed in the statement of comprehensive income.

3.9 Income taxes

Tax expense recognised in profit or loss comprises the sum of deferred tax, and current tax not recognised in other comprehensive income or directly in equity.

Current income tax assets and/or liabilities comprise those obligations to, or claims from, fiscal authorities relating to the current or prior reporting periods, that are unpaid at the reporting date. Current tax is payable on taxable profit, which differs from profit or loss in the financial statements. Calculation of current tax is based on tax rates and tax laws that have been enacted or substantively enacted by the end of the reporting period.

Deferred income taxes are calculated using the liability method on temporary differences between the carrying amounts of assets and liabilities and their tax bases. Deferred tax assets are recognised to the extent that it is probable that the underlying tax loss or deductible temporary difference will be utilised against future taxable income. This is assessed based on the Company's forecast of future operation results, adjusted for significant non-taxable income and expenses and specific limits on the use of any unused tax loss or credit.

Deferred tax liabilities are generally recognised in full.

3.10 Revenue recognition

Revenue is recognised upon declaration of dividend by its subsidiaries.

3.11 Set up costs

Set up costs are expensed in the period in which they are incurred.

3.12 Expense recognition

All expenses are accounted for on an accrual basis.

3.13 Related parties

A related party is a person or company where that person or company has control or joint control of the reporting company; has significant influence over the reporting company; or is a member of the key management personnel of the reporting company or of a parent of the reporting company.

A company is related to another company where:

(a) the other company is its holding company or subsidiary;

(b) more than half of the issued shares of the company, other than shares that carries no right to participate beyond a specified amount in a distribution of either profits or capital, is held by the other company and companies related to that other company (whether directly or indirectly, but other than in a fiduciary capacity)

(c) there is another company to which both company are related

3.14 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate of the amount of the obligation can be made. At the time of the effective payment, the provision is deducted from the corresponding expenses.

All known risks at reporting date are reviewed in detail and a provision is made where necessary.

3.15 Impairment of assets

At each reporting date, the Company reviews the carrying amounts of its assets to determine whether there is any indication that those assets have suffered an impairment loss. When an indication of impairment loss exists, the carrying amount of the asset is assessed and written down to its recoverable amount.

4. Critical accounting judgements and key sources of estimation uncertainty

Critical accounting judgments in applying the Company's accounting policies.

In the process of applying the Company's accounting policies, which are described in Note 3.3, the directors have made the following judgements that have the most significant effect on the amounts recognized in the financial statements: -

Determination of functional currency

The determination of the functional currency of the Company is critical since recording of transactions and exchange differences arising there from are dependent on the functional currency selected. As described in Note 3.5, the directors have considered those factors described therein and have determined that the reporting currency of the Company is the United States Dollars ("USD").

5. Taxation

Income tax

The Company, being the holder of a Category 1, Global Business Licence, is liable to income tax in Mauritius on its taxable profit arising from its world-wide income at the rate of 15%. The Company's foreign sourced income is eligible for a foreign tax credit which is computed as the higher of the Mauritian tax and the foreign tax on the respective foreign sourced income. The foreign tax for a GBL1 company is based on either the foreign tax charged by the foreign country or a presumed amount of foreign tax: the presumed amount of foreign tax is based on 80% of the Mauritian tax on the relevant foreign sourced income, thus reducing its maximum effective tax rate to 3%. In computing its total foreign tax credit, the Company is allowed to pool all its foreign sourced income. No Mauritian capital gains tax is payable on profits arising from sale of securities, and any dividends paid by the Company to its shareholders will be exempt in Mauritius from any withholding tax.

The Company has received a tax certificate from the Mauritian tax authorities that it is a tax resident of Mauritius, and such certification is renewed on an annual basis subject to satisfying certain conditions.

The Financial Services Commission ("FSC") issued a Category 1 Global Business Licence ("GBL1") to the company on 19 November 2015. Further to the changes made by the Finance (Miscellaneous Provisions) Act 2018 ("FMPA 2018") to the Financial Services Act ("FSA"), the FSC is no longer empowered to issue any GBL1 as from 1 January 2019. Instead, the FSC may issue a Global Business Licence ("GBL") if the company satisfies certain conditions. The company will be deemed to hold a GBL as from 1 July 2021 under section 96A(1)(b) of the FSA.

As from 1 July 2021, the company will not be allowed to compute its foreign tax according to a presumed amount of 80% of the Mauritian tax of the relevant foreign sourced income. Furthermore, transactions with GBL corporations and non-residents will not necessarily be considered to be foreign sourced income. Effective as from 1 January 2019, the company may apply a partial exemption on its foreign dividend income, interest income and profits from foreign permanent establishments: the partial exemption is computed at 80% of the relevant foreign sourced income. The partial exemption is not mandatory: the company may apply the credit system if it so wishes.

A reconciliation of the theorical tax charge that would arise using the tax rate applicable to the profits of the Company to the tax charge is presented below:

Notes to the financial statements
For the year 31 March 2025

	31-03-2025	31-03-2024
	USD	USD
Profit before taxation	**1,742,099**	1,095,309
Add: Unauthorised deduction		
Expenditure incurred in the production of exempt income	**18,403**	18,472
Withholding tax	**188,094**	120,021
Corporate Tax - CCR	**4,310**	-
Less: Exempt Income		
80% Partial Exemption – Dividend Income	**(1,509,633)**	(960,000)
Interest Income	**(56,373)**	
Profit adjusted for tax purpose	**386,900**	273,802
Loss brought forward	**-**	(58,284)
Profit adjusted for tax purpose	**386,900**	215,518
Tax for the year calculated @ 15%	**58,035**	32,328
Corporate Climate Responsibility @ 2%	**7,738**	
Deemed tax credit of 80%	**-**	-
Tax charge for the period	**65,773**	32,328

6. Investment in subsidiaries

	31-03-2025	31-03-2024
	USD	USD
Investment at start	**900,498**	900,498
Acquisition during the year	**-**	-
Investment at end	**900,498**	900,498

Name of entity	Country of incorporation	% Holding	Carrying amount 2025	Carrying amount 2024
Thermax International Tanzania	TANZANIA	100%	**261,450**	261,450
Thermax Inc.	U. S. A	100%	**500,000**	500,000
PT Thermax Indonesia	INDONESIA	0.005%	**773**	773
Thermax Nigeria Ltd	NIGERIA	99.9996%	**138,275**	138,275
			900,498	900,498

The directors are of the opinion that the investment is stated at cost since the fair value cannot be reliably measured. The directors are of the opinion that the cost is a reflective of the fair value at 31 March 2025.

7. Cash and cash equivalent

	31-03-2025	31-03-2024
	USD	USD
Cash in hand	**67**	**67**
Bank	**56,353**	**37,006**
Deposit	**3,088,342**	**1,390,000**
	3,144,762	**1,427,073**

8. Other receivables

	31-03-2025	31-03-2024
	USD	USD
Prepayment	**2,195**	
Interest Receivable	**11,132**	22,150
Dividend Receivable	**6,195**	-
Receivable from subsidiary	**-**	-
	19,522	22,150

9. Stated capital

	31-03-2025	31-03-2024
	USD	USD
Authorised		
5,000,000 ordinary shares of USD 1 each	**5,000,000**	5,000,000
Issued and Fully Paid		
1,695,000 ordinary shares of USD 1 each	**1,695,000**	1,695,000
1,747,300 cumulative redeemable preference shares	**1,747,300**	1,747,300
	3,442,300	3,442,300

10. Trade and other payables and accruals

	31-03-2025	31-03-2024
	USD	USD
Trade payables	**2,850**	-
Accruals	**450,470**	450,225

The figure of USD 450,470 (2024: USD 450,225) includes USD 441,000 (2024: USD 441,000) representing the tax liability of Thermax Senegal SARL.

11. Financial instruments

(a) Financial risk factors

The Company's activities expose the Company to a variety of financial risks: market risk (including currency risk and cash flow interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

(b) Currency profile

The currency profile of the Company's financial assets and liabilities is summarised as follows:

	Financial assets 2025	Financial liabilities 2025	Financial assets 2024	Financial liabilities 2024
	USD	**USD**	USD	USD
Senegal XOF	**-**	**441,000**	-	441,000
Indonesian Rupiah	**773**	**-**	773	-
United States Dollars	**3,644,762**	**-**	1,927,074	-
Nigeria Naira	**138,275**	**-**	138,275	-
TITL (TANZANIA)	**261,450**	**-**	261,450	-
	4,045,260	**441,000**	2,327,572	441,000

(c) Financial risks

(i) Foreign currency risk

The Company invest in securities denominated in currencies other than its reporting currency. Consequently, the Company is exposed to the risk that the exchange rate of the USD relative to those currencies may change in a manner which has a material effect on the reported values of that portion of the company's assets which are denominated in those currencies.

(ii) Credit risk

Financial assets that potentially expose the Company to credit risk consist principally of loans receivables and cash and cash equivalents. The extent of the Company's exposure to credit risk in respect of these financial assets approximates their carrying values as recorded in the Company's statement of financial position.

(iii) Market risk

Market risk represents the potential loss that can be caused by a change in the market value of financial instruments. The Company's exposure to market risk is determined by a number of factors, including interest rates, foreign currency exchange rates and market volatility. The Company conducts its investment operations in a manner that seeks to exploit the potential gains in the market, while limiting its exposure to market declines.

(iv) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows and matching the maturity profiles of the financial liabilities.

The table below illustrates the aged analysis of the Company's financial liabilities.

Liabilities Accruals	**31 March 2024**		
	Less than 1 year	**Over 1 year**	**Total**
	USD	**USD**	**USD**
Accruals	**9,470**	**441,000**	**450,470**

Liabilities Accruals	**31 March 2024**		
	Less than 1 year	**Over 1 year**	**Total**
	USD	**USD**	**USD**
Accruals	9,225	441,000	450,225

(i) Interest rate risk

Interest rate risk is the risk that the fair value of the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's financial assets bear a fixed interest rate, and its financial liabilities are non-interest bearing. Therefore, the Company is not exposed to any interest rate risk at reporting date.

(ii) Concentration risk

At 31 March 2025 the directors consider that the Company is not exposed to any concentration risk.

(v) Capital risk management

The Company's objectives when managing capital are to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholder and benefits for other stakeholders.

The capital structure of the Company consists of equity attributable to equity holders of the Company, comprising of issued capital and retained earnings and unsecured borrowings from related parties.

The Company does not have any third-party debt due for the year ended 31 March 2025, hence does not have any capital risk.

12. Ultimate holding company

Holding company: Thermax Limited (India).

Ultimate holding company: RDA Holdings Private Limited.

THERMAX INC

Board of Directors
Mr. Venkatesh Balasubramanian
Mr. Dinesh Mandhana
Mr. Rajendran Arunachalam

Registered Office
16200, Park Row, Suite 190
Houston, Texas 77084

Auditors
Plante & Moran, PLLC
Suit 300
19176 Hall Road
Clinton Township
MI 48038

Bankers
JP Morgan Chase

Independent Auditor's Report

To the Board of Directors

Thermax Inc.

Opinion

We have audited the financial statements of Thermax Inc. (the "Company"), which comprise the balance sheet as of March 31, 2025 and 2024 and the related statements of operations, stockholder's equity, and cash flows for the years then ended, and the related notes to the financial statements.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025 and 2024 and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audits in accordance with auditing standards generally accepted in the United States of America (GAAS). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audits of the Financial Statements section of our report. We are required to be independent of the Company and to meet our ethical responsibilities in accordance with the relevant ethical requirements relating to our audits. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern within one year after the date that the financial statements are issued or available to be issued.

Auditor's Responsibilities for the Audits 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 absolute assurance and, therefore, is not a guarantee that audits conducted in accordance with GAAS will always detect a material misstatement when it exists. 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. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing audits in accordance with GAAS, we:

- Exercise professional judgment and maintain professional skepticism throughout the audits.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audits in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the Company's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audits, significant audit findings, and certain internal control related matters that we identified during the audits.

May 6, 2025

THERMAX INC

Balance Sheet Year Ended March 31, 2025 and 2024

	2025		2024	
	USD	**Rs Lacs**	USD	Rs Lacs
ASSETS				
CURRENT ASSETS				
Cash and Cash Equivalents	**15,49,092**	**1,324.01**	84,63,024	7,058.16
Short term investments Certificates of deposit	**80,50,000**	**6,880.34**	-	-
Accounts Receivable				
Trade accounts receivable - Net (Note 4)	**28,99,748**	**2,478.41**	32,12,473	2,679.20
Trade receivable from related parties (Note 7)	**7,14,891**	**611.02**	6,73,941	562.07
Inventory (Note 5)	**69,71,684**	**5,958.70**	41,99,254	3,502.18
Advances to affiliates (Note 7)	**5,98,800**	**511.79**	1,54,880	129.17
Prepaid expenses and Oher Current Assets:				
Refundable Tax (Note 9)	**2,05,636**	**175.76**	11,187	9.33
Other Current Assets	**1,76,479**	**150.84**	1,38,338	115.37
Total Current Assets	**2,11,66,330**	**18,090.86**	1,68,53,097	14,055.48
Leased Assets - Operating lease (Note 8)	**87,265**	**74.59**	1,31,776	109.90
Property And Equipment - Net (Note 6)	**22,070**	**18.86**	30,540	25.47
Other Assets				
Deferred tax recovery (Note 9)	**1,97,000**	**168.38**	1,57,000	130.94
Total Assets	**2,14,72,665**	**18,353**	1,71,72,413	14,321.79

	2025		2024	
	USD	**Rs Lacs**	USD	Rs Lacs
LIABILITIES AND STOCKHOLDER'S EQUITY				
CURRENT LIABILITIES				
Accounts Payable:				
Trade accounts Payable	**1,59,069**	**135.96**	1,62,411	135.45
Trade payables to related parties (Note 7)	**50,11,279**	**4,283.14**	33,08,748	2,759.50
Short term lease liability (Note 8)	**68,495**	**58.54**	94,696	78.98
Accrued and other current liabilities:				
Taxes Payable	**-**	**-**	-	-
Contract obligations (Note 3)	**1,79,700**	**153.59**	2,12,700	177.39
Customer Deposits and advances	**26,98,320**	**2,306.25**	8,51,586	710.22
Other accrued liabilities	**4,52,285**	**386.57**	3,12,694	260.79
Total Current Liabilities	**85,69,148**	**7,324.05**	49,42,835	4,122.32
Long-term Lease liability (Note 8)	**15,540**	**13.28**	39,439	32.89
Total Liabilities	**85,84,688**	**7,337.33**	49,82,274	4,155.22
Stockholder's Equity				
Common Stock - $10 Par Value				
50,000 shares Authorized, issued and Outstanding	**5,00,000**	**427.35**	5,00,000	417.00
Retained Earnings	**1,23,87,977**	**10,588.00**	1,16,90,139	9,749.58
Total Stockholder's Equity	**1,28,87,977**	**11,015.35**	1,21,90,139	10,166.58
Total Liabilities And Stockholder's Equity	**2,14,72,665**	**18,352.69**	1,71,72,413	14,321.79

See notes to financial statements

Statement of Operations for the years ended March 31, 2025 and 2024

	2025		2024	
	USD	**Rs Lacs**	USD	Rs Lacs
Revenue				
Operating Revenues	**2,18,31,844**	**18,659.68**	2,32,93,758	19,426.99
Other Revenues	**5,15,900**	**440.94**	3,97,635	331.63
Total Revenue	**2,23,47,744**	**19,100.62**	2,36,91,393	19,758.62
Costs of Revenue -Production	**1,78,28,884**	**15,238.35**	1,85,17,618	15,443.69
Gross Profit	**45,18,860**	**3,862.27**	51,73,775	4,314.93
Selling General and Administrative Expenses	**36,05,713**	**3,081.80**	36,10,244	3,010.94
Income- Before income taxes	**9,13,147**	**780.47**	15,63,531	1,303.98
Income Tax Expense (Note 10)	**2,15,309**	**184.02**	3,70,978	309.40
Net Income	**6,97,838**	**596.44**	11,92,553	994.59

Exchange Rate : as at 31 March 2024 is 1 US $ = Rs 85.47

Exchange Rate : as at 31 March 2024 is 1 US $ = Rs 83.40

See notes to financial statements

Statement of Cash flows for the years ended March 31, 2025 and 2024

	2025		2024	
	USD	**Rs Lacs**	USD	Rs Lacs
CASH FLOWS FROM OPERATING ACTIVITIES				
Net income	**6,97,838**	**596.44**	11,92,553	994.59
Adjustment to reconcile net income to net cash from operating activities:				
Depreciation	**12,147**	**10.38**	13,179	10.99
Gain on disposal of property and equipment	**973**	**0.83**	1,016	0.85
Bad debt expense	**47,011**	**40.18**	1,14,830	95.77
Amortisation of right of use asset	**89,108**	**76.16**	93,631	78.09
Deferred Income Taxes	**(40,000)**	**(34.19)**	(20,000)	(16.68)
Changes in operating assets and liabilities which provided (used) cash:				
Trade accounts receivable	**2,65,714**	**227.11**	12,46,074	1,039.23
Trade receivables from related parties	**(40,950)**	**(35.00)**	(4,12,865)	(344.33)
Inventory	**(27,72,430)**	**(2,369.60)**	4,32,321	360.56
Prepaid expenses and other current assets	**(2,32,590)**	**(198.79)**	(51,017)	(42.55)
Trade cccounts payable	**(3,342)**	**(2.86)**	(82,832)	(69.08)
Trade payable to related parties	**17,02,531**	**1,455.15**	(17,28,167)	(1,441.29)
Customer deposits and advances	**18,46,734**	**1,578.40**	(4,71,404)	(393.15)
Provision for start-up costs	**(33,000)**	**(28.21)**	8,000	6.67
Other accrued liabilities	**1,39,591**	**119.31**	(94,688)	(78.97)
Lease liability	**(94,697)**	**(80.94)**	(97,110)	(80.99)
Advances to affiliates	**(4,43,920)**	**(379.42)**	5,76,237	480.58
Net cash and cash equivalents provided by operating activities	**11,40,718**	**974.97**	7,19,758	600.28
CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property and equipment	**(4,650)**	**(3.97)**	(6,434)	(5.37)
Collection on loan to affiliate	**-**	**-**	15,00,000	1,251.00
Purchase of investments	**(80,50,000)**	**(6,880.34)**	-	-
NET CASH PROVIDED BY (USED IN) INVESTING ACTIVITIES	**(80,54,650)**	**(6,884)**	14,93,566	1,246
NET INCREASE IN CASH & CASH EQUIVALENTS	**(69,13,932)**	**(5,909.34)**	22,13,324	1,845.91
Cash & cash Equivalents - Beginning of year	**84,63,024**	**7,233.35**	62,49,700	5,212.25
Cash & cash Equivalents - End of year	**15,49,092**	**1,324.01**	84,63,024	7,058.16
Classification of Cash and cash equivalents				
Cash and cash equivalents	**15,49,092**	**1,324.01**	84,63,024	7,058.16
Restricted cash and cash equivalents	**-**	**-**	-	-
Total cash and cash equivalents	**15,49,092**	**1,324.01**	84,63,024	7,058.16
Supplemental Cash Flow Information - Cash paid for Income Taxes	**4,49,758**	**384.41**	4,02,138	335.38
Significant Noncash Transactions - Recognition of right-of-use assets related to leased facilities	**44,597**	**38.12**	15,739	13.13

See notes to financial statements

Exchange Rate : as at 31 March 2024 is 1 US $ = Rs 85.47

Exchange Rate : as at 31 March 2024 is 1 US $ = Rs 83.40

Statement of Stockholder's Equity

Year ended March 31, 2025 and 2024

	Common Stock		Retained Earnings		Total	
	USD	**Rs Lacs**	**USD**	**Rs Lacs**	**USD**	**Rs Lacs**
Balance - April 1, 2023	5,00,000	417.00	1,04,97,586	8,754.99	1,09,97,586	9,171.99
Net Income	-	-	11,92,553	994.59	11,92,553	994.59
Balance - March 31, 2024	5,00,000	417.00	1,16,90,139	9,749.58	1,21,90,139	10,166.58
Net Income	-	-	6,97,838	582.00	6,97,838	582.00
Balance - March 31, 2025	**5,00,000**	**427.35**	**1,23,87,977**	**10,588.00**	**1,28,87,977**	**11,015.35**

THERMAX INC

Notes to Financial Statements March 31, 2025 and 2024

Note 1 - Nature of Business

Thermax Inc. (the "Company") was incorporated on October 23, 2000. The Company's operations consist of two segments chemical and energy. The chemical segment consists of the sale of ion exchange resins and chemicals primarily within North America. The energy segment consists of the sale of absorption chillers, with operations conducted primarily in North America.

The Company is a wholly owned subsidiary of Thermax International Limited (Mauritius), which, in turn, is wholly owned by Thermax Ltd., an Indian publicly listed company. Thermax Ltd. is a subsidiary of RDA Holdings Private Limited, a company incorporated in India. The Company acquires substantially all of its products for sale from Thermax Ltd. The Company operates out of a corporate office in Houston, Texas.

Note 2 - Significant Accounting Policies

This summary of significant accounting policies of the Company is presented to assist in understanding the Company's financial statements. These accounting policies conform to accounting principles generally accepted in the United States of America and have been consistently applied in the preparation of the financial statements.

Credit Risk and Major Customers

The Company's energy business segment includes sales to three customers of $2,807,772 and two customers of $3,320,049 during the years ended March 31, 2025 and 2024, respectively. Accounts receivable from these customers totaled $367,650 and $19,425 at March 31, 2025 and 2024, respectively.

The Company's chemical business segment includes sales to two customers totaling $4,643,226 and $6,189,880 for the years ended March 31, 2025 and 2024, respectively. Accounts receivable from these customers totaled $832,191 and $540,338 at March 31, 2025 and 2024, respectively.

Advertising Expense

Advertising expense is charged to income during the year in which it is incurred. Advertising and promotion expenses for the years ended March 31, 2025 and 2024 were $39,666 and $48,377, respectively.

Cash Equivalents

The Company utilizes a money market account and certificates of deposit to earn interest on funds held.

The Company maintains its cash in bank deposit accounts that at times may exceed federally insured limits. The Company has not experienced any losses in such accounts.

For the purpose of the accompanying financial statements, the Company considers all highly liquid investments with original maturities of three months or less when purchased to be cash equivalents. This includes certificates of deposit totaling $0 and $6,550,000 as of March 31, 2025 and 2024, respectively. The carrying amount reported on the balance sheet for cash and cash equivalents approximates fair value due to the short term nature of these investments.

Investments

Short term investments at March 31, 2025 consisted of certificates of deposit with an original maturity greater than three months but less than one year. Investments are valued at cost, which approximates fair value.

Trade Accounts Receivable

The Company's accounts receivable are primarily related to sales of ion exchange resins and vapor absorption chillers and spares. Credit is extended based on prior experience with the customer and evaluation of the customer's financial condition. Trade accounts receivable are stated at invoice amounts and generally due within 30 days. A reserve for credit loss allowance is established based on company policy, the assessment of outstanding invoices unpaid following normal customer payment periods, and review of historical loss experience adjusted for future economic conditions and market trends affecting the Company's ability to collect outstanding amounts. Uncollectible amounts are written off against the reserve for credit losses in the period they are determined to be uncollectible. The reserve for credit losses on accounts receivable balances was $180,958 and $133,947$0 as of March 31, 2025 and 2024, respectively.

Inventory

Inventory consists of products purchased from Thermax Ltd. and is valued at the lower of cost or net realizable value (NRV), with NRV based on selling prices in the ordinary course of business, less costs of completion, disposal, and transportation. Inventory cost is determined using the average cost method. The cost of inventory includes the purchase price of the products, expenses incurred on freight, customs duty where applicable, and other incidental expenses.

Shipping and Handling Costs

Shipping and handling costs are generally capitalized to inventory for the inbound costs of the Company's purchases and recorded as costs of sales for the outbound costs of the Company's sales as they are incurred.

Property and Equipment

Property and equipment are recorded at cost. The straight line method is used for computing depreciation over the estimated useful lives of the assets. Costs of maintenance and repairs are charged to expense when incurred.

The estimated useful lives used to determine depreciation are as follows:

	Depreciable Life - Years
Furniture and fixtures	7
Office equipment	5
Leasehold improvements	7

Income Taxes

A current tax liability or asset is recognized for the estimated taxes payable or refundable on tax returns for the year. Deferred tax liabilities or assets are recognized for the estimated future tax effects of temporary differences between financial reporting and tax accounting.

The Company has elected to classify interest and penalties, if applicable, related to income tax obligations as part of income tax expense.

Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

Reclassification

Certain 2024 amounts have been revised to conform to the 2025 presentation. The 2024 presentation has been revised to classify interest income in nonoperating income, as it was previously presented within other revenue in the statement of operations.

Subsequent Events

The financial statements and related disclosures include evaluation of events up to and including May 6, 2025, which is the date the financial statements were available to be issued.

Note 3 - Revenue Recognition

The Company generates revenue from contracts with customers through the sale of absorption chillers to customers in North America and ion exchange resins and chemicals primarily in North America.

Notes to Financial Statements March 31, 2025 and 2024

The Company's typical contract terms for the sale of absorption chillers are memorialized in purchase orders. The typical contract calls for delivery of the chiller to the designated customer site and startup. Any ongoing requirement for maintenance of the chillers after startup is negotiated as a separate customer contract when needed, which may not be at the time the chiller is purchased.

From time to time, the Company may sell spare parts to its customers under separately negotiated customer contracts. Spare parts sold to customers are recognized when control transfers to the customer under the customer contract.

The Company's typical contract terms for the sale of ion exchange resins are memorialized in purchase orders. In most of the contracts, customers will pick up resins from one of the storage warehouses. In certain circumstances, contracts call for delivery of a specific type and quantity of resin to the customer location. In other cases, containers of ion exchange resins imported from the factory are delivered direct to customer locations.

The most significant economic factor affecting the nature, amount, timing, and uncertainty of the Company's revenue and cash flows pertains to the type of customers for sale of the Company's absorption chillers. The Company's revenue per customer in this segment is significant. As a result, the credit quality of the customer may have a significant impact on the risks associated with this revenue stream.

During the years ended March 31, 2025 and 2024, the Company recognized revenue from contracts with customers as follows:

	2025	2024
Absorption chillers	**$ 3,972,447**	$ 5,457,582
Absorption chillers Services/ Maintenance	**471,332**	328,733
Absorption chillers Spare parts	**515,381**	523,129
Ion exchange resins	**16,872,684**	16,984,314
Total revenue from contracts with customers	**$ 21,831,844**	$ 23,293,758

The Company's revenue from the sale of absorption chillers includes revenue for startup services. Revenue for startup services for the years ended March 31, 2025 and 2024 was approximately $78,000 and $114,000, respectively.

The Company recognized impairment losses of $47,011 and $114,830 on its trade receivables for the years ended March 31, 2025 and 2024, respectively. Accounts receivable were $3,614,639, $3,886,414, and $4,834,453 as of March 31, 2025; March 31, 2024; and April 1, 2023, respectively.

For the absorption chillers revenue stream, the Company has performance obligations for the delivery of the chiller and the subsequent startup of the chiller. The performance obligation for the delivery of chillers is recognized at a point in time. The performance obligation for sale of spare parts is also recognized at a point in time. The Company has evaluated the factors to determine when the customer obtains control over the chiller and the spare parts sold and has concluded that control transfers when the risk of ownership has transferred. In most cases, this is upon delivery to the customer site, as the Company typically bears the risk of loss for goods in transit.

The startup service and maintenance performance obligations are recognized over time. The Company has evaluated the factors to determine when the customer obtains control over the service being rendered and has concluded that control transfers as the work is performed by the Company's technicians. For startup service and for maintenance performance obligation, the measure of progress is completion of activity per the terms of the service contract. The measure of progress is actual costs incurred, including salaries and fringe benefits, and travel and other out of pocket costs incurred. There were no outstanding contract assets related to startup service and maintenance contracts as of March 31, 2025; March 31, 2024; or April 1, 2023. Contract liabilities related to startup service and maintenance contracts totaled $179,700 and $212,700 as of March 31, 2025 and 2024, respectively, and $204,700 as of April 1, 2023.

For the ion exchange resins revenue stream, the Company has performance obligations for the delivery of the resins. The delivery performance obligation is recognized at a point in time. The Company has evaluated the factors to determine when the customer obtains control over the resins and has concluded that control transfers when the risk of ownership has transferred. In most cases, this is upon pickup by the customer and, in a few cases, by delivery to the customer site, as the Company typically bears the risk of loss for goods in transit.

Payment for goods and services sold by the Company is typically due within 30 days after an invoice is sent to the customer. Invoices for goods are typically sent to customers within 3 calendar days of delivery. Invoices for services performed over time are typically sent to customers on the completion of service by the Company's service personnel.

The Company does not offer discounts if the customer pays some or all of an invoiced amount prior to the due date. Related to the Company's customer contracts for the sale of absorption chillers and occasionally for sale of ion exchange resins, the Company, in some cases, bills its customers and collects cash prior to the satisfaction of the performance obligation, which results in the Company recognizing contract liabilities. These payments are effectively down payments from its customers. These contract liabilities are recorded as customer deposits and advances on the balance sheet. Customer advances totaled $2,698,320 and $851,586 as of March 31, 2025 and 2024, respectively. Customer advances totaled $1,322,990 as of April 1, 2023.

For startup services associated with the sale of the Company's absorption chillers, the amount of consideration to which the Company will be entitled is included in the total contract price and is not separately stated. Under some of the contracts, consideration/payment is contingent on the successful performance of the promised service. The Company estimates and accrues costs it expects to incur to complete startup of each absorption chiller it delivers. As startup services are rendered and actual costs are incurred, the startup accrual is reduced, with any final adjustments recorded when the performance obligation is complete. None of the Company's contracts have a significant financing component.

The Company offers no warranties related to the sale of its products. Any warranties on the absorption chillers are offered by and are the obligation of the manufacturer (Thermax Ltd.). In most cases, consideration paid for products and services that customers purchase from the Company is nonrefundable. Therefore, at the time revenue is recognized, the Company does not estimate expected refunds for services, nor does the Company exclude any such amounts from revenue.

The transaction price of a contract is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer. Transaction prices do not include amounts collected on behalf of third parties (e.g., sales taxes).

To determine the transaction price of a contract, the Company considers the terms of the contract and its customary business practices. For the purpose of determining transaction prices, the Company assumes that the goods or services will be transferred to the customer as promised in accordance with existing contracts and that the contracts will not be canceled, renewed, or modified.

The Company's contracts with customers have fixed transaction prices that are payable in cash. A majority of the transaction price is allocated to chiller delivery, while the Company allocates a portion of the transaction price to the startup performance obligation equal to its anticipated direct costs for providing this service. The basis for this allocation is that the margin the Company is entitled to keep is related to the delivery of the chiller. The startup, while a separate performance obligation, does not have value that is contemplated in the contract price beyond the direct costs incurred by the Company.

The Company has elected all available and relevant practical expedients in its application of ASU No. 2014 09, Revenue from Contracts with Customers (Topic 606). These include (1) recognition of the incremental costs of obtaining contracts as expenses when incurred and (2) treatment of shipping and handling activities that occur after the customer has obtained control of a good as a fulfillment cost rather than an additional promised service.

THERMAX INC

Notes to Financial Statements March 31, 2025 and 2024

Note 4 - Accounts Receivable

The following is the detail of accounts receivable

	2025	2024
Trade receivables	**$ 3,080,706**	$ 3,346,420
Trade receivables from related parties	**714,891**	673,941
Less reserve for credit loss	**180,958**	133,947
Net trade accounts receivable	**$ 3,614,639**	$ 3,886,414

The activity in the reserve for credit losses is as follows:

	2025	2024
Beginning balance	**$ 133,947**	$ 19,117
Additions charged to expense	**47,011**	114,830
Ending balance	**$ 180,958**	$ 133,947

Note 5 - Inventory

Inventory, net of reserves, at March 31, 2025 and 2024 consists of the following:

	2025	2024
Traded goods - Ion exchange resins and spare parts	**$ 2,478,776**	$ 1,786,093
Goods in transit - Ion exchange resins and chemicals	**1,631,828**	1,604,498
Goods in transit - Chillers and spare parts	**2,861,080**	808,663
Total inventory	**$ 6,971,684**	$ 4,199,254

The Company maintains inventory of ion exchange resins and spare parts at third party warehouses located in various states. At March 31, 2025 and 2024, net inventory valued at $2,478,776 and $1,786,093, respectively, was located at third party warehouses.

At March 31, 2025 and 2024, the Company maintained a reserve for inventory obsolescence of $120,218 and $101,918, respectively.

Note 6 - Property and Equipment

Property and equipment at March 31, 2025 and 2024 are summarized as follows:

	2025	2024
Office equipment	$ **56,902**	$ 70,111
Furniture and fixtures	**35,045**	35,045
Leasehold improvements	**9,379**	9,379
Total cost	**101,326**	114,535
Accumulated depreciation	**79,256**	83,995
Net property and equipment	$ **22,070**	$ 30,540

Depreciation expense was $12,147 and $13,179 for the years ended March 31, 2025 and 2024, respectively.

Note 7 - Related Party Transactions

The following is a description of transactions between the Company and related parties that are related to the Company through common ownership:

Accounts Receivable and Advances

At March 31, 2025 and 2024, the Company had accounts receivable from related parties totaling $714,891 and $673,941, respectively, related to expenses paid by the Company on behalf of the related parties.

At March 31, 2025 and 2024, the Company had advances to related parties totaling $598,800 and $154,880, respectively. The advances represent deposits on the purchase of chillers for sale to the Company's customers.

Accounts Payable

At March 31, 2025 and 2024, the Company had accounts payable to related parties totaling $5,011,279 and $3,308,748, respectively.

Purchases

For the years ended March 31, 2025 and 2024, the Company had purchases of ion exchange resins, absorption chillers, and spare parts from Thermax Ltd. totaling $16,836,040 and $15,276,752, respectively.

Note 8 - Leases

The Company is obligated under operating leases primarily for office space and vehicles, expiring at various dates through March 2027. The Company recognizes expense for operating leases on a straight line basis over the lease term. The Company has made a policy election to separate lease and nonlease components for all leases. Therefore, the calculation of the right of use asset and lease liability includes payments only for the lease component. The weighted average remaining lease term was 1.36 years and 1.56 years at March 31, 2025 and 2024, respectively. The right of use asset and related lease liability have been calculated using discount rates ranging from 5.75 to 9.50 percent, which represent the Company's incremental borrowing rate. The weighted average discount rate for these leases was 7.74 percent at March 31, 2025 and 5.91 percent at March 31, 2024. The leases require the Company to pay taxes, insurance, utilities, and maintenance costs. Variable lease payments are not included in the measurement of the right of use asset and lease liability. Variable lease payments totaled $41,821 and $42,533 for the years ended March 31, 2025 and 2024, respectively. Operating lease expenses were $95,100 and $93,631 for the years ended March 31, 2025 and 2024, respectively. Cash paid for amounts included in the measurement of operating lease liabilities was $100,688 and $97,110 for the years ended March 31, 2025 and 2024, respectively.

Future minimum annual commitments are as follows:

Years Ending March 31	Amount
2026	$ 73,064
2027	16,809
Total	89,873
Less amount representing interest	5,838
Present value of net minimum lease payments	84,035
Less current obligations	68,495
Long term obligations under leases	$ 15,540

Note 9 - Income Taxes

The components of the income tax provision included in the statement of operations are all attributable to continuing operations and are detailed as follows:

	2025	2024
Current income tax expense	$ **255,309**	$ 390,978
Deferred income tax (recovery)	**(40,000)**	(20,000)
Total income tax expense	$ **215,309**	$ 370,978

Notes to Financial Statements March 31, 2025 and 2024

A reconciliation of the provision for income taxes to income taxes computed by applying the statutory United States federal rate to income before taxes is as follows:

	2025	2024
Income tax expense Computed at 21 percent of pretax income	$ **191,761**	$ 328,342
State income taxes Net of federal tax benefit	**21,574**	36,215
Nondeductible expenses and adjustments to prior year estimate Net	**1,974**	6,421
Total income tax expense	$ **215,309**	$ 370,978

The details of the net deferred tax asset are as follows:

	2025	2024
Deferred tax assets:		
Inventory reserve	$ **25,000**	$ 21,000
Section 263A	**16,000**	11,000
Accrued bonuses	**35,000**	27,000
Other	**126,000**	104,000
Gross deferred tax assets	**202,000**	163,000
Deferred tax liabilities Depreciation	**5,000**	6,000
Net deferred tax asset	$ **197,000**	$ 157,000

No valuation allowance has been recognized for the deferred tax assets.

The Company files income tax returns in U.S. federal and various state jurisdictions. With few exceptions, the Company is no longer subject to income tax examinations by taxing authorities for years ended before March 31, 2021. There are no pending or ongoing tax examinations.

Note 10 - Segment Information

The Company has two reportable segments (1) chemical and (2) energy.

The chemical segment is engaged in the distribution of ion exchange resins, and the energy segment is engaged in the distribution of absorption chillers and the sale of spares. The two segments consist of distinct product lines that are managed separately, as each has different selling and distribution requirements.

The accounting policies of the segments are the same as those described in the summary of significant accounting policies in Note 2. For the years ended March 31, 2025 and 2024, all corporate expenses have been allocated to reportable segments based on their predetermined share of operating activities, which was 65 percent to the chemical segment and 35 percent to the energy segment. Segment profit is based on operating profit before income taxes.

Intersegment charges for administrative services are allocated by management.

The following is summarized information about profit or loss, assets, and liabilities and other information for each reportable segment for the years ended March 31, 2025 and 2024:

	2025	2024
Chemical Segment		
Revenue from external customers	$ **16,872,684**	$ 16,984,314
Other revenue	**405,779**	312,390
Segment pretax profit	**1,348,638**	1,783,862
Segment assets	**7,201,417**	6,622,998
Segment liabilities	**2,157,173**	2,804,608
Energy Segment		
Revenue from external customers	**4,959,160**	6,309,444
Other revenue	**110,121**	85,245
Segment pretax loss	**(435,491)**	(220,331)
Segment assets	**4,007,653**	1,666,128
Segment liabilities	**6,237,935**	1,957,031

The following are reconciliations from the segment information above to the amounts reported in the accompanying financial statements for the years ended March 31, 2025 and 2024:

	2025	2024
Revenue by Country		
United States	$ **19,135,343**	$ 16,840,258
Mexico and South America	**1,612,871**	2,927,924
Canada	**340,333**	328,467
Other	**1,259,197**	3,594,744
Total revenue	$ **22,347,744**	$ 23,691,393
Assets		
Total assets for reportable segments	$ **11,209,070**	$ 8,289,126
Unallocated amounts	**10,263,595**	8,883,287
Total assets	$ **21,472,665**	$ 17,172,413
Liabilities		
Total liabilities for reportable segments	$ **8,395,108**	$ 4,761,639
Unallocated amounts	**189,580**	220,635
Total liabilities	$ **8,584,688**	$ 4,982,274

Revenue is allocated based on the geographic location of the customers.

Note 11 - Retirement Plans

The Company has a defined contribution profit sharing 401(k) plan covering substantially all employees. Company contributions are discretionary. The Company has the option to match up to 50 percent of an employee's deferral amount, not to exceed 4 percent of the employee's compensation. For the years ended March 31, 2025 and 2024, the Company made matching contributions totaling $52,987 and $51,138, respectively.

Note 12 - Contingencies and Settlements

The Company is subject to various legal proceedings and claims that arise in the ordinary course of business. In the opinion of management, the amount of any ultimate liability with respect to these actions, if any, will not materially affect the Company's financial statements, with the potential exception for the matter disclosed below.

The Company has been named as one of three parties in a lawsuit for breach of warranty and misrepresentation, as initiated by an entity that purchased a chiller from one of the Company's customers. During the year ended March 31, 2025, a settlement was reached relating to the lawsuit, resulting in a liability of $85,000 to be paid by the Company. This amount was unpaid as of March 31, 2025 and is reported as part of other accrued liabilities on the balance sheet.

THERMAX DO BRASIL – ENERGIA E EQUIPAMENTOS LTDA.

Supervisory Board
Mr. B. Venkatesh
Mr. Sandeep Mandke

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AUDITORIA EIRELI
CNPJ no. 23.429,508/0001-05
CRC- SP 2SP 025.442/O-3
São Paulo, Brazil

Bankers
Banco Citibank S. A.
Banco Real S. A.

AUDITORS' REPORT

To Quotaholders

Thermax do Brasil – Energia e Equipamentos Ltda.

São Paulo - SP

1. We have examined the balance sheet of **Thermax do Brasil – Energia e Equipamentos Ltda.,** as of March 31, 2025 and the related statements of income, changes in quotaholders' equity and changes in financial position for the period then ended, which are the responsibility of its management. Our responsibility is to express an opinion on these financial statements.

2. We conducted our audit in accordance with auditing standards generally accepted in Brazil and, accordingly, included: a) the planning of the audit work, considering the materiality of the balances, volume of transactions, and the system of internal controls of the Company; b) the verification on a test basis, of the evidence and records which support the values and information in the published financial statements; and c) evaluation of the accounting practices and the more material accounting estimates adopted by Company management as well as the presentation of the financial statements taken as a whole.

3. In our opinion, the financial statements referred in the paragraph 1 present fairly, in all material respects, the financial position of **Thermax do Brasil – Energia e Equipamentos Ltda.,**as of March 31, 2025, and of the results of their operations, changes in their quotaholders' equity and changes in its financial position for the period then ended, in accordance with accounting principles generally accepted in Brazil.

KANZK AVALIAÇÕES E AUDITORIA EIRELI

CNPJ no. 23.429,508/0001-05

CRC- SP 2SP 025.442/O-3

São Paulo, Brazil

April, 17, 2025

Statement of Income
For the year ended March 31, 2025

	2025		2024	
	BRL	**Rs Lacs**	BRL	Rs Lacs
GROSS INCOME				
Sale of services	**3,81,297**	**57.13**	2,99,431	49.79
	3,81,297	**57.13**	2,99,431	49.79
DEDUCTION FROM GROSS INCOMES				
Tax incident on sales	**(55,136)**	**(8.26)**	(44,821)	(7.45)
Gross profit	**3,26,161**	**48.87**	2,54,610	42.34
OPERATING EXPENSES				
General and administrative expenses	**(2,92,357)**	**(43.80)**	(1,05,501)	(17.54)
Financial (expenses)/ income	**1,085**	**0.16**	(2,549)	(0.42)
	(2,91,273)	**(43.64)**	(1,08,050)	(17.97)
Net Profit/Loss before Taxes	**34,888**	**5.23**	1,46,560	24.37
Taxes on income	**-**	**-**	-	-
Net Profit/(Loss)	**34,888**	**5.23**	1,46,560	24.37

Exchange Rate : As at 31 Mar 25 is 1 BRL = Rs 14.98

Exchange Rate : As at 31 Mar 24 is 1 BRL = Rs 16.63

Balance Sheet Year Ended March 31, 2025

	2025		2024	
	BRL	**Rs Lacs**	BRL	Rs Lacs
SOURCES OF FUNDS				
Shareholders' Funds :				
Share Capital	**10,87,130**	**162.88**	10,87,130	180.77
Accumulated losses	**(5,19,880)**	**(77.89)**	(5,54,768)	(92.25)
Total Funds Employed	**5,67,250**	**84.99**	5,32,362	88.52
APPLICATION OF FUNDS				
Current Assets:				
Cash & Banks	**2,99,229**	**44.83**	1,32,704	22.07
Trade receivables	**63,471**	**9.51**	1,42,688	23.73
(-) Provision for doubtful Debts	**(25,284)**	**(3.79)**	(25,284)	(4.20)
Recoverable taxes	**11,743**	**1.76**	11,743	1.95
(-) Provision for losses	**(10,941)**	**(1.64)**	(10,941)	(1.82)
Account Receivable (Intercompany)	**2,40,984**	**36.11**	3,24,953	54.03
	5,79,202	**86.78**	5,75,863	95.76
Less : Current Liabilities & Provisions				
Taxes payable	**14,514**	**2.17**	37,132	6.17
Other accounts payable	**7,365**	**1.10**	16,297	2.71
(-) Reversal Taxes (Bad Debts)	**(9,928)**	**(1.49)**	(9,928)	(1.65)
	11,952	**1.79**	43,502	7.23
Net Current Assets	**5,67,250**	**84.99**	5,32,362	88.52
Total Funds Applied	**5,67,250**	**84.99**	5,32,362	88.52

Statement of Changes in Quotaholders' Equity Year Ended March 31, 2025

	Capital		Accumulated losses		Total	
	BRL	**Rs Lacs**	**BRL**	**Rs Lacs**	**BRL**	**Rs Lacs**
Balances at April 1, 2024	10,87,130	180.77	(5,54,768)	(92.25)	5,32,362	88.52
Net Profit/ (Loss) for the period	**-**	-	34,888	5.23	34,888	5.23
Balances at March 31, 2025	**10,87,130**	**162.88**	**(5,19,880)**	**(77.89)**	**5,67,249.98**	**84.99**

See the accompanying notes to the financial statements.

Statement of Changes in Financial Position
Year ended March 31, 2025

Sources	2025		2024	
	BRL	**Rs Lacs**	BRL	Rs Lacs
From Operations				
Net Profit/(loss) for the period	**34,888**	**5.23**	1,46,560	24.37
Expenses (incomes) that do not affect net working capital:				
Depreciation	**-**	**-**	-	-
Advance to Capital	**-**	**-**	-	-
Total sources	**34,888**	**5.23**	1,46,560	24.37
Applications	-	-	-	-
Reduction in net working capital	**34,888**	**5.23**	1,46,560	24.37

Statement of variation in net working capital

	31 March 2025		31 March 2024		Variation 2024	
	BRL	**Rs Lacs**	**BRL**	**Rs Lacs**	**BRL**	**Rs Lacs**
Current Assets	**5,79,202**	**86.78**	5,75,863	95.76	3,338	(8.98)
Current Liabilities	**11,952**	**1.79**	43,502	7.23	31,550	5.44
Net working capital	**5,67,250**	**84.99**	5,32,362	88.52	34,888	(3.53)

THERMAX DO BRASIL – ENERGIA E EQUIPAMENTOS LTDA.

Notes to the Financial Statements Year Ended March 31, 2025
(Amounts in reais)

1. Operational Context

The Company is a subsidiary of Thermax Ltd which in turn is a subsidiary of RDA Holdings Private Limited, a Company incorporated in India. The Company's business activities mainly consist of rendering services, including technical assistance, which may be provided through hiring outsourced companies.

2. Presentation of the Financial Statements

The financial statements were prepared in accordance with accounting practices emanated from the Brazilian Corporation Law.

3. Summary of the Significant Accounting Policies

a. Revenue and expenses recognition

Income and expenses are recorded on monthly accrual basis.

b. Current and long-term assets

Current and long-term assets are recorded at lower of cost or market value plus accrued income until the end of the period. An allowance is recorded in case the market value is lower than cost.

c. Current and long-term liabilities

Liabilities are recorded at known or estimated amounts.

4. Trade Receivables

Description	2025	2024
Accounts receivable	63,470.75	1,42,687.95
(-)Provision for Doubtful Debts	(25,283.53)	(25,283.53)
Net accounts receivable	**38,187.22**	**1,17,404.42**

The Company decided to make a provision for accounts receivables due the uncertainty of recovery of receivables from Consulthermos.

5. Accounts Receivable - Intercompany

Description	2025	2024
Accounts receivable	2,40,983.93	3,24,952.71
Net accounts receivable	**2,40,983.93**	**3,24,952.71**

The amount of R$ 2,40,983.93 refers to invoices issued to Thermax LTD for the recovery of commercial expenses.

In March 2025, the amount of R$ 85,865.81 was considered as a deduction from the value of accounts receivable, relating to payment orders in transit, the bank credit of which will occur on 04/2025.

This value was checked with Thermax Ltd. and not present differences

6. Recoverable Taxes

Description	2025	2024
IRPJ – 2005	89.28	89.28
CSLL – 2005	10,851.37	10,851.37
IRRF – Authorized	802.03	802.03
	11,742.68	11,742.68
Provision for losses	**(10,940.65)**	**(10,940.65)**
Net	**802.03**	**802.03**

The value of the recoverable taxes basically represents withholding taxes by the Customers. The possibility of setting off the recoverable taxes was authorized by Federal Authorities in May,2013.

Compensation may be made with other federal taxes after delivery of the ECD - Digital Tax Registration on 06.2025. After delivery we make a formal request for compensation or refund. This possibility was introduced with Law IN RFB 2214/2024.

7. Taxes and Contributions payable

Description	2025	2024
PIS	1,596.90	4,396.33
COFINS	12,917.50	28,567.75
ISS – SALES	-	4,168.16
(-)Reversal – Taxes – Bad Debts	(9,927.66)	(9,927.66)
Net Taxes and Contributions payable	**4,586.75**	**27,204.58**

The above balances were compared with the tax books of the Company and subsequent events and do not present differences.

The Company recorded a reversal of taxes payable in view of the uncertainty of recovery of receivables from Consulthermos.

8. Other liabilities

Description	2025	2024
Rent	2,073.14	2,073.14
Reimbursment – Mr.Felipe	3,291.83	12,224.17
Audit Fees	2,000.00	2,000.00
TOTAL	**7,364.97**	**16,297.31**

9. Capital Social

The paid-in Capital is represented by R$ 10,87,130.00 with nominal value of R$ 1.00 (one real) each.

10. Services

The company's total sales from services amounted to R$ 3,81,296.87 as presented below:

Description	2025	2024
Services Sales	3,81,296.87	2,99,430.74
Net sales	**3,81,296.87**	**2,99,430.74**

The services sales amounts were checked against the company's tax books and do not present differences.

11. Taxes incident on Services

The company's total taxes related to service, amounted to R$ 55,135.81, as presented below:

Description	2025	2024
ISS - SALES	19,859.84	17,123.69
COFINS – SALES	28,978.56	22,756.66
PIS – SALES	6,297.41	4,940.59
TOTAL	**55,135.81**	**44,820.94**

12. Operating Expenses

The composition of the "Operating Expenses" account is presented below:

Description	2025	2024
Rents/Condominium	26,489.01	26,393.68
Accounting Outsourcing	46,800.00	46,800.00
Third Part Services	2,17,068.15	30,307.00
Auditory	2,000.00	2,000.00
Total	**2,92,357.16**	**1,05,500.68**

13. Financial (expenses) income

The balance of the Financial (expenses) income and exchange variation income account is presented below:

Description	2025	2024
Bank Expenses	(3,738.25)	(3,399.28)
Exchange Variation	4,822.78	850.34
Total	**1,084.53**	**(2,548.94)**

14 . Identified Contingencies

There are no identified tax and accounting contingencies for the year ended on March 31, 2025 (Previous Year Nil)

KANZK AVALIAÇAO E AUDITORIA EIRELI
CNPJ no. 23.429,508/0001-05
CRC- SP 2SP 025.442/O-3
São Paulo, Brazil
April, 17, 2025

THERMAX NETHERLANDS B.V.

Board of Directors
S.V. Dhumane
TMF Netherlands B. V.

Registered Office
Herikerbergweg 238, Luna
Arena, 1101 CM Amsterdam
Zuidoost, The Netherlands.

Audiors
HLG audit B.V.
Fokkerstraat 12
3833 LD Leusden
The Netherlands

Bankers
Citi Bank, Netherlands

INDEPENDENT AUDITORS' REPORT

To: Board of Directors of Thermax Netherlands B.V.

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS 2025 INCLUDED IN THE ANNUAL REPORT

OUR OPINION

We have audited the financial statements of 31 March 2025 of Thermax Netherlands B.V. ('the Company'), based in Amsterdam.

In our opinion the accompanying financial statements give a true and fair view of the financial position of Thermax Netherlands B.V. as at 31 March 2025 and of its result for 2024-25 in accordance with Part 9 of Book 2 of the Dutch Civil Code.

The financial statements comprise:

1. the Company balance sheet as at 31 March 2025;
2. the Company profit and loss account for 2024-25; and
3. the notes comprising a summary of the accounting policies and other explanatory information.

BASIS FOR OUR OPINION

We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. Our responsibilities under those standards are further described in the 'Our Responsibilities for the Audit of the Financial Statements' section of our report.

We are independent of Thermax Netherlands B.V. in accordance with the Wet toezicht accountantsorganisaties (Wta, Audit firms supervision act), the Verordening inzake de onafhankelijkheid van accountants bij assurance-opdrachten (ViO, Code of Ethics for Professional Accountants, a regulation with respect to independence) and other relevant independence regulations in the Netherlands. Furthermore, we have complied with the Verordening gedrags- en beroepsregels accountants (VGBA, Dutch Code of Ethics).

We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

REPORT ON THE OTHER INFORMATION INCLUDED IN THE ANNUAL REPORT

The annual report contains other information, in addition to the financial statements and our auditor's opinion thereon.

Based on the following procedures performed, we conclude that the other information:

- is consistent with the financial statements and does not contain material misstatements
- contains the information regarding the other information as required by Part 9 of Book 2 of the Dutch Civil Code.

We have read the other information. Based on our knowledge and understanding obtained through our audit of the financial statements or otherwise, we have considered whether the other information contains material misstatements.

By performing these procedures, we comply with the requirements of Part 9 of Book 2 of the Dutch Civil Code and the Dutch Standard 720. The scope of the procedures performed is substantially less than the scope of those performed in our audit of the financial statements.

Management is responsible for the preparation other information as required by Part 9 of Book 2 of the Dutch Civil Code.

DESCRIPTION OF RESPONSIBILITIES REGARDING THE FINANCIAL STATEMENTS

RESPONSIBILITIES OF MANAGEMENT FOR THE FINANCIAL STATEMENTS

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, management is responsible for such internal control as management determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

As part of the preparation of the financial statements, management is responsible for assessing the Company's ability to continue as a going concern. Based on the financial reporting framework mentioned, management should prepare the financial statements 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.

Management should disclose events and circumstances that may cast significant doubt on the company's ability to continue as a going concern in the financial statements.

OUR RESPONSIBILITIES FOR THE AUDIT OF THE FINANCIAL STATEMENTS

Our objective is to plan and perform the audit assignment in a manner that allows us to obtain sufficient and appropriate audit evidence for our opinion.

Our audit has been performed with a high, but not absolute, level of assurance, which means we may not detect all material errors and fraud during our audit.

Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. The materiality affects the nature, timing and extent of our audit procedures and the evaluation of the effect of identified misstatements on our opinion.

We have exercised professional judgement and have maintained professional scepticism throughout the audit, in accordance with Dutch Standards on Auditing, ethical requirements and independence requirements. Our audit included among others.:

- Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, designing and performing audit procedures responsive to those risks, and obtaining 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;

- Obtaining 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 the effectiveness of the Company's internal control;
- Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- Concluding 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 a company to cease to continue as a going concern;
- Evaluating the overall presentation, structure and content of the financial statements, including the disclosures; and
- Evaluating 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 findings in internal control that we identify during our audit.

Leusden 27 June 2025

HLG audit B.V.

Balance sheet as at 31 March, 2025

(Before appropriation of result)

	Note No	As at March 31, 2025		As at March 31, 2024	
		Euro	**Rs Lacs**	Euro	Rs Lacs
Non-Current assets:					
Financial assets:					
Investment in participation	1	**12,737,395**	**11,776.09**	3,246,306	2,923.20
		12,737,395	**11,776.09**	3,246,306	2,923.20
CURRENT ASSETS:					
Receivable					
Prepaid expenses		**22,618**	**20.91**	19,134	17.23
Cash and cash Equivalents	2	**195,488**	**180.73**	252,860	227.69
		12,955,501	**11,977.74**	3,518,300	3,168.12
EQUITY AND LIABILITIES					
SHAREHOLDERS' EQUITY:	3				
Paid-in and called-up share capital	4	**32,710,000**	**30,241.34**	32,410,000	29,184.23
Other Reserves		**-**	**-**	300,000	270.14
Accumulated result		**(29,227,713)**	**(27,021.87)**	(29,149,999)	(26,248.69)
Result for the year		**9,402,970**	**8,693.32**	(77,714)	(69.98)
		12,885,257	**11,912.79**	3,482,287	3,135.70
Current liabilities					
Trade payables	5	**26,556**	**24.55**	-	-
Accruals expenses	6	**43,688**	**40.39**	36,013	32.43
		70,244	**64.94**	36,013	32.43
		12,955,501	**11,977.74**	3,518,300	3,168.13

Exchange Rate as on 31 March 2025 is 1 Euro = 92.4529

Exchange Rate as on 31 March 2024 is 1 Euro = 90.0470

Income statement for the period 01-04-2024 until 31-03-2025

	Note No	01-04-24/31-3-2025		01-04-23/31-3-2024	
		Euro	**Rs Lacs**	Euro	Rs Lacs
General and administration expenses	7	**(95,680)**	**(88.46)**	(81,248)	(73.16)
Net Operating result		**(95,680)**	**(88.46)**	(81,248)	(73.16)
Other Interest and Similar income	8	**7,561**	**6.99**	3,534	3.18
Impairment Reversal	9	**9,491,089**	**8,774.79**	-	-
Total of result before tax		**9,402,970**	**8,693.32**	(77,714)	(69.98)
Income tax expense	10	-	-	-	-
Total of result after tax		**9,402,970**	**8,693.32**	(77,714)	(69.98)

Statement of Changes in Equity for the period ended March 31, 2025

	Issued share capital		Other reserves		Accumulated results		Result for the year		Total	
	Euro	**Rs Lacs**	**Euro**	**Rs Lacs**	**Euro**	**Rs Lacs**	**Euro**	**Rs Lacs**	**Euro**	**Rs Lacs**
Balance as at 1 April 2024	32,410,000	29,184.23	300,000	270.14	(29,149,999)	(26,248.69)	(77,714)	(69.98)	3,482,287	3,135.70
Share application money	-	-			-	-	-	-	-	-
Appropriation of prior year result	-	-	-	-	(77,714)	(69.98)	77,714	69.98	-	-
Conversion reserves in capital	300,000	277.36	(300,000)	(277.36)						
Result for the year	-	-	-	-	-	-	9,402,970	8,693.32	9,402,970	8,693.32
Balance as at 31 March 2025	**32,710,000**	**30,241.34**	**-**	**-**	**(29,227,713)**	**(27,021.87)**	**9,402,970**	**8,693.32**	**12,885,257**	**11,912.79**

THERMAX NETHERLANDS B.V.

Cash flow statement for the period 01-04-2024 until 31-03-2025

	Note	01-04-24/31-3-2025		01-04-23/31-3-2024	
		Euro	**Rs Lacs**	Euro	Rs Lacs
Total of cash flows (used in) from Operating activities					
Operating results		**(95,680)**	**(88.46)**	(81,248)	(73.16)
Changes in working capital:					
(Increase) decrease in receivables		**(3,484)**	**(3.22)**	(567)	(0.51)
(Decrease) increase in payables		**34,231**	**31.65**	(40,281)	(36.27)
		30,747	**28.43**	(40,848)	(36.78)
Total of cash flows (used in) from operations		**(64,933)**	**(60.03)**	(122,096)	(109.94)
Interest received	8	**7,561**	**6.99**	3,534	3.18
Total of cash flows (used in) from Operating activities		**(57,372)**	**(53.04)**	(118,562)	(106.76)
Total of cash flows (used in) from Financing activities					
Share application money		**-**		300,000	270.14
Total of increase (decrease) in cash and cash equivalents		**(57,372)**	**(53.04)**	181,438	160.20
Movement in cash and cash equivalents					
Cash and cash equivalents at the beginning of the period		**252,860**	**233.78**	71,422	64.31
Increase (decrease) in cash and cash equivalents		**(57,372)**	**(53.04)**	181,438	163.38
Cash and cash equivalents at the end of the period		**195,488**	**180.73**	252,860	227.69

Notes to financial statements for the year ended March 31, 2025

1.4 Notes to the financial statements

General notes

The most important activities of the entity

Thermax Netherlands B.V. (hereinafter 'the Company'), a private limited liability company, having its statutory seat in Amsterdam and its place of business at Herikerbergweg 238, 1101CM, Amsterdam, the Netherlands, was incorporated under the laws of the Netherlands on 5 November 2010 and is registered at the trade register under number 51219352. The Company is a wholly owned subsidiary of publicly listed Thermax Limited, registered in Chinchwad Pune, India.

The principal activity of the Company is to act as a holding company.

The Company qualifies as a micro-sized entity but applies the requirements of a small-sized entity in its annual report.

Since the Company qualifies as a micro entity, it is, consequently, not required to have its accounts audited as provided for in Article 395A, Paragraph 6, Part 9, Book 2 of the Dutch Civil Code. However, the management has preferred to opt for a voluntary audit for the Company.

The Company has made use of the exemption allowed by Article 395A, Paragraph 6, Part 9, Book 2 of the Dutch Civil Code in not presenting a Management Boards report.

In view of the international operations of the group of which the Company forms part, the annual accounts have been drawn up in EUR.

Disclosure of going concern

Despite the accumulated deficit and profit for the year, Management is confident the Company is able to continue as a going concern, considering its overall equity position. Currently there are no plans to sell the shares of or any assets of the Company.

These financial statements have been prepared based on going concern basis. The going concern basis of presentation assumes that the Company will continue its operations for the foreseeable future and will be able to realize its assets and discharge its liabilities and commitments in the normal course of business.

We have assessed the Group's and the Company's ability to continue as going concern, taking into account all relevant information about the future on the Company's activities and cash flows, which covers a period of at least, but not limited to, 12 months from the balance sheet date. Accordingly, Management is confident the Company is able to continue as a going concern.

Disclosures about estimates, judgements, assumptions and uncertainties

In applying the principles and policies for drawing up the financial statements, the directors of the Company make different estimates and judgments that may be essential to the amounts disclosed in the annual accounts. If it is necessary in order to provide the transparency required under Book 2, Article 362, paragraph 1, the nature of these estimates and judgments, including related assumptions, is disclosed in the change accounting estimates, or in the notes to the relevant balance sheet or profit and loss item.

The exemption of consolidation

Consolidation has not taken place since the Company makes use of Article 408, Part 9, Book 2 of the Dutch Civil Code and consequently will file the consolidated financial statements of its parent company Thermax Limited, Chinchwad Pune, India with the commercial register in the Netherlands.

General accounting principles

The accounting standards used to prepare the financial statements

The annual accounts have been drawn up in accordance with the provisions of Part 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands, as published by the Dutch Accounting Standards Board.

Conversion of amounts denominated in foreign currency

All monetary assets and liabilities expressed in currencies other than Euro ('EUR') have been translated at the rates of exchange prevailing at the balance sheet date, whereas non-monetary assets expressed in currencies other than EUR are translated at historical rates. All transactions in foreign currencies have been translated into EUR at the rates of exchange approximating those ruling at the date of the transactions. Resulting exchange differences have been recognised in the profit and loss account.

Financial instruments

Financial instruments comprise other receivables, cash and cash equivalents, payables to group company, and trade and other payables. With the exception of cash and cash equivalents, financial instruments are initially measured at fair value, which includes attributable transaction costs. Subsequent to initial measurement, these items are stated at amortised cost. Cash and cash equivalents are measured at nominal value.

Unless otherwise stated, all assets and liabilities are valued at historical cost.

Accounting principles

Financial assets

Investments in participations are stated at the lower of the historical cost or the net realisable value (historical cost less impairment).

Income from participations is recognised only to the extent of dividends declared.

Impairment of financial assets

On each balance sheet date the Company assesses whether there are any indications that a fixed asset may be subject to impairment. If there are such indications, the recoverable amount of the asset is determined. If it is not possible to determine the recoverable amount of the individual asset, the recoverable amount of the cash- generating unit to which the asset belongs is determined. An impairment occurs when the carrying amount of an asset is higher than the recoverable amount; the recoverable amount is the higher of the realisable value and the value in use.

An impairment loss is directly recognised in the profit and loss account while the carrying amount of the asset concerned is concurrently reduced.

If it is established that an impairment that was recognised in the past no longer exists or has reduced, the increased carrying amount of the asset concerned is set no higher than the carrying amount that would have been determined if no impairment value adjustment for the asset concerned had been reported.

Cash and cash equivalents

Cash and cash equivalents represent cash in hand, bank balances and deposits with terms of less than twelve months. Bank overdrafts, if any, are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

Accounting principles for determining the result

The result is the difference between the realisable value of any income received and the costs and other charges incurred during the year. The results on transactions are recognised in the year in which they are realised.

General and administrative expenses

Expenses are determined with due observance of the aforementioned accounting policies and allocated to the financial year to which they relate. Foreseeable and other obligations as well as potential losses arising before the financial year-end are recognised if they are known before the financial statements are prepared and provided all other conditions for forming provisions are met.

Income tax expense

Tax on the result is calculated based on the result before tax in the income statement, taking account of the losses available for set-off from previous financial years and exempt profit components and after the addition of non-deductible costs. Due account is also taken of changes which occur in the deferred tax assets and deferred tax liabilities in respect of changes in the applicable tax rate.

Cash flow statement

The cash flow statement has been prepared using the indirect method. The cash items disclosed in the cash flow statement comprise cash at banks and in hand except for deposits with a maturity longer than three months. Cash flows denominated in foreign currencies have been translated at average estimated exchange rates. Exchange differences affecting cash items are shown separately in the cash flow statement. Interest paid and received, dividends received and income taxes are included in cash from operating activities. Dividends paid are recognised as cash used in financing activities. Transactions not resulting in inflow or outflow of cash, including finance leases, are not recognised in the cash flow statement. Payments of finance lease instalments qualify as repayments of borrowings under cash used in financing activities and as interest paid under cash generated from operating activities.

1.5 Notes to the balance sheet as at 31 March 2025

1 Investment in participation

At balance sheet date, the Company owned 100% in Thermax Denmak ApS, Herning, Denmark (2023/2024:100%).

The movement in this balance during the year under review are as follows:

	01-04-2024 / 31-03-2025	01-04-2023/ 31-03-2024
	EUR	EUR
Historic Cost	**31,781,767**	31,781,767
Provision for Impairment	**(19,044,372)**	(28,535,461)
Total	**12,737,395**	3,246,306

Thermax Denmark ApS is a holding company and holds shares in Danstoker A/S, Boilerworks A/S, and Ejendomsanpartsselskabet Industrivej Nord 13, all of which are registered in Denmark.

Thermax Denmark ApS was incorporated on 29 October 2010. On 8 November 2010, the Company subscribed for 74,920,000 newly issued shares in Thermax Denmark ApS with a nominal value of DKK 1 each. The total consideration involved was EUR 20,000,000.

On 22 June 2011, the Company acquired the remaining 80,000 shares in Thermax Denmark ApS with a nominal value of DKK 1 each, rendering its total shareholding in the participation to 100%. The total consideration involved was EUR 21,767.

Additional investments in this participation have taken place since then, as follows:

- Investment of EUR 2,000,000 on 19 April 2017.
- Investment of EUR 5,400,000 on 11 March 2019.
- Investment of EUR 2,850,000 on 13 July 2020.
- Investment of EUR 1,010,000 on 9 April 2021.
- Investment of EUR 500,000 on 16 September 2021.

The total amount invested in the participation as at 31 March 2025 was EUR 31,781,767 (31 March 2024: EUR 31,781,767).

In Prior years Management compared the carrying amount of the investment in Thermax Denmark ApS with its recoverable amount based on future cash flows.

During the financial year ending 31 March 2019, an impairment of EUR 19,231,767 was levied on this investment in view of its recoverable amount being lower than the cost value at balance sheet date. During the financial year ending 31 March 2021, a further impairment of EUR 9,303,694 was levied on this investment in view of its recoverable amount being lower than the cost value at balance sheet date.

During the year under review the management decided to use the Net Equity Value of Thermax Denmark ApS to determine the recoverable amount of the investment. During the financial year ending 31 March 2025, an impairment of EUR 9,491,089 was released on this investment in view of its recoverable amount being higher than the cost value at balance sheet date.

The Net Equity Value of the Subsidiary Thermax Denmark ApS as on March 31, 2025, is EUR 12.738 million (2023/2024: EUR 7.582 million).

A fair valuation of the subsidiary carried out in accordance with Foreign Exchange Management (Overseas Investment) Rules, 2022 and Foreign Exchange Management (Overseas Investment) Regulations, 2022, as on January 02, 2024, shows a fair value of Thermax Denmark ApS for EUR 32.187 million.

2 Cash and cash equivalents

The Company maintains a bank account denominated in EUR with Citibank N.A., the balance of which is available on demand.

3 Shareholder's equity

The Company's issued and fully paid-up share capital as at 31 March 2025 amounted to EUR 32,710,000, consisting of 32,710,000 shares with a nominal value of EUR 1 each (31 March 2024: 32,410,000 shares at EUR 1 each).

The movements in shareholder's equity during the year under review were as follows:

	Paid-in and called-up share capital	**Other reserves**	**Accumulated results**	**Result for the year**	**Total**
	EUR	EUR	EUR	EUR	EUR
Balance as at 1 April 2024	32,410,000	300,000	(29,149,999)	(77,714)	3,482,287
Result for the year	-	-	-	9,402,970	9,402,970
Appropriation of prior year result	-	-	(77,714)	77,714	-
Conversion reserves in capital	300,000	(300,000)	-	-	-
Balance as at 31 March 2025	**32,710,000**	**-**	**(29,227,713)**	**9,402,970**	**12,885,257**

The Company amended its articles of association on 30 March 2021 by a Deed of Amendment in order to change its authorised share capital from 30,000,000 shares of EUR 1 each to unlimited authorised capital in accordance with current Dutch legislation.

On 2 April 2024 the company issued 300,000 additional shares with a nominal value of EUR 1 each.

Statement of the proposed appropriation of the result

Management proposes that the result for the year will be added to the accumulated results. This proposal has not yet been reflected in the balance sheet.

Notes to financial statements for the year ended March 31, 2025

4 Other reserves

	31-03-2025	31-03-2024
	EUR	EUR
Other legal reserves	**-**	300,000

Other legal reserves

	31-03-2025	31-03-2024
	EUR	EUR
Balance as at 1 April	**300,000**	-
Addition in financial year	**-**	300,000
	300,000	300,000
Conversion in capital	**(300,000)**	-
Balance as at 31 March	**-**	300,000

5 Trade payables

	31-03-2025	31-03-2024
	EUR	EUR
Trade creditors	**26,556**	-

6 Accrued expenses

	31-03-2025	31-03-2024
	EUR	EUR
Accrued audit fees	**22,255**	17,500
Accrued tax advisory fees	**21,433**	18,513
	43,688	36,013

1.6 Notes to the income statement for the period 01-04-2024 until 31-03-2025

7 General and administrative expenses

	1-4-2024/ 31-03-2025	1-4-2023/ 31-03-2024
	EUR	EUR
General and administrative expenses	**95,680**	81,248

General and administrative expenses

	1-4-2024/ 31-03-2025	1-4-2023/ 31-03-2024
	EUR	EUR
Management fee	**6,050**	6,050
Accounting fees	**55,041**	44,423
Audit fees	**25,232**	23,117
Tax advisory fees	**5,574**	6,171
Notarial expenses	**2,341**	-
Bank charges	**1,442**	1,487
	95,680	81,248

8 Other interest and similar income

	1-4-2024/ 31-03-2025	1-4-2023/ 31-03-2024
	EUR	EUR
Received bank interest	**7,561**	3,534

9 Impairment participation

	1-4-2024/ 31-03-2025	1-4-2023/ 31-03-2024
	EUR	EUR
Reversal of impairment on investment in Thermax Denmark ApS, Herning, Demark (100%)	**9,491,089**	-

Refer to note 1 for further details on the impairment levied during the year under review.

10 Income tax expense

At balance sheet date the Company had accumulated losses carried forward of EUR 29,227,713 (2023/2024: EUR 29,149,999). Considering it is not probable that future taxable profits will be available against which they can be utilised, a deferred tax asset has not been recognised in this respect.

1.7 Other notes

Average number of employees

Disclosure of average number of employees during the period

During the year ending 31 March 2025 no employees were employed (2023/2024: nil).

Remuneration of managing and supervisory directors

Disclosure of remuneration of managing and supervisory directors

The Company has two directors (2023/2024: two).

During the year under review TMF Netherlands B.V. invoiced the Company EUR 68,803 (2023/2024: EUR 50,472), which amongst other services rendered, includes the fees for them acting as Director A of the Company.

The Company has no Supervisory Directors.

Subsequent events

Disclosure of subsequent events

No events have occurred since 31 March 2025 that would make the present financial position substantially different from that shown in the balance sheet as at balance sheet date.

Amsterdam,

TMF Netherlands B.V.	Mr. S.V. Dhumane
Director A	Director B

Statutory provision regarding appropriation of result

Under the restriction that Dutch law prescribes that any profit distribution may only be made to the extent that the shareholder's equity exceeds the amount of the issued capital and the legal and/or statutory reserves, the remaining reserves and unappropriated results are, in accordance with article 26 of the Company's articles of association, at the disposal of the General Meeting of the Shareholder.

Management proposes that the result for the year will be added to the accumulated results. This proposal has not yet been reflected in the balance sheet.

THERMAX DENMARK APS

Board of Directors	Registered Office	Auditors	Bankers
Mahesh Channakeshaviah Bukinkere Swapnil Vitthal Dhumane	Industrivej Nord 13 DK-7400 Herning	Ernst & Young Godkendt Revisionspartnerselskab Bavnehøjvej 5 DK 6700 Esbjerg.	Citi Bank

Management Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Thermax Denmark ApS for the financial year 1 April 2024 - 31 March 2025.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements and the Consolidated Financial Statements give a true and fair view of the financial position at 31 March 2025 of the Company and the Group and of the results of the Company and Group operations and of consolidated cash flows for 2024/25.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herning, 23 June 2025

Executive Board:

Swapnil Vitthal Dhumane
CEO

Board of Directors:

Mahesh Channakeshaviah Bukinkere
Chairman

Independent Auditor's Report

To the shareholder of Thermax Denmark ApS

Opinion

We have audited the Consolidated Financial Statements and the Parent Company Financial Statements of Thermax Denmark ApS for the financial year 1 April 2024 - 31 March 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies, for both the Group and the Parent Company, as well as consolidated statement of cash flows. The Consolidated Financial Statements and the Parent Company Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Consolidated Financial Statements and the Parent Company Financial Statements give a true and fair view of the financial position of the Group and the Parent Company at 31 March 2025 and of the results of the Group's and the Parent Company's operations as well as of the consolidated cash flows for the financial year 1 April 2024 - 31 March 2025 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Consolidated Financial Statements and the Parent Company Financial Statements" section of our report.

Independence

We are independent of the Group in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Consolidated Financial Statements and the Parent Company Financial Statements

Management is responsible for the preparation of consolidated financial statements and parent company financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Consolidated Financial Statements and the Parent Company Financial Statements, Management is responsible for assessing the Group´s and the Parent 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 in preparing the Consolidated Financial Statements and the Parent Company Financial Statements unless Management either intends to liquidate the Group or the Parent Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Consolidated Financial Statements and the Parent Company Financial Statements

Our objectives are to obtain reasonable assurance about whether the Consolidated Financial Statements and the Parent Company 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 ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Consolidated Financial Statements and the Parent Company Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Consolidated Financial Statements and the Parent Company 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 the effectiveness of the Group´s and the Parent Company´s internal control.

- 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 in preparing the Consolidated Financial Statements and the Parent Company Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group´s and the Parent 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 Consolidated Financial Statements and the Parent Company 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 Group and the Parent Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Consolidated Financial Statements and the Parent Company Financial Statements, including the disclosures, and whether the Consolidated Financial Statements and the Parent Company Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of the entities or business units within the group as a basis for forming an opinion on the group financial statements and the parent company financial statements. We are responsible for the direction, supervision and review of the audit work performed for purposes of the group audit. We remain solely responsible for our audit opinion.

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Consolidated Financial Statements and the Parent Company Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements and the Parent Company Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Consolidated Financial Statements and the Parent Company Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Consolidated Financial Statements and the Parent Company Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Esbjerg,
23 June 2025

EY
Godkendt Revisionspartnerselskab
CVR No 30 70 02 28

Claes Jensen
State Authorised Public
Accountant mne44108

Company Information

The Company	Thermax Denmark ApS
	Industrivej Nord 13, DK 7400 Herning
CVR no.	33 25 57 48
Financial year	1 April 2024 - 31 March 2025
Incorporated	29 October 2010
Municipality of reg. office.	Herning
Board of Directors	Mahesh Channakeshaviah Bukinkere, Chairman
Executive Board	Swapnil Vitthal Dhumane
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5 6700 Esbjerg

Group Chart

Company	Residence	Ownership
Thermax Denmark ApS	**Herning, Denmark**	
Ejendomsanpartsselskabet Industrivej Nord 13	Herning, Denmark	100
Boilerworks A/S	Herning, Denmark	100
Danstoker A/S	Herning, Denmark	100
Danstoker Poland Sp. Z.o.o.	Ostrowiec, Poland	100
Thermax Chemical Europe A/S	Herning, Denmark	100

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

DKKm	2024/25	2023/24	2022/23	2021/22	2020/21
Key figures					
Profit/loss					
Gross profit	90	65	33	38	10
Profit/loss of primary operations	49	29	4	8	-39
Profit/loss of financial income and expenses	-1	-3	-2	-2	-2
Profit/loss before tax	47	26	2	6	-40
Net profit/loss for the year	37	23	2	5	-38
Balance sheet					
Balance sheet total	194	193	164	143	142
Investment in property, plant and equipment	5	1	2	1	0
Equity	95	57	31	28	19
Cash flows					
Cash flows from:					
- operating activities	29	18	17	-3	-22
- investing activities	-3	-1	-2	-1	-2
- financing activities	-19	-3	-9	2	25
Change in cash and cash equivalents for the year	7	14	6	-2	1
Number of employees	245	236	219	212	253
Ratios					
Solvency ratio	49.0%	29.5%	18.9%	19.6%	13.4%
Return on equity	48.7%	52.3%	6.8%	21.3%	-158.3%

THERMAX DENMARK APS

Management's Review

Key Activities

Thermax Denmark ApS is a wholly owned subsidiary of Thermax Netherlands B.V., which in turn is wholly owned by Thermax Ltd., an Indian publicly listed company. The ultimate holding company of Thermax Ltd. is RDA Holdings Private Limited, Pune, India.

The main activity of the company is owning shares in the fully-owned subsidiaries Danstoker A/S, Boilerworks A/S, Ejendomsanpartssselskabet Industrivej Nord 13 (estate company) and Thermax Chemical Europe A/S. All operational activities take place within these respective subsidiaries.

Danstoker A/S is the parent company of Danstoker Poland Sp. Z o.o.

The primary activities within Thermax as under the label of Danstoker. The Danstoker Group designs, produces and sells boilers and relevant equipment to the energy market, including rebuilding and servicing of boilers. The product range of the Danstoker Group is continuously adapted to the 5 categories:

1. Solid fuel market, mainly based biofuels
2. Combined heat and power market
3. Exhaust gas market
4. Oil/gas market
5. Thermax Ion Exchange Resins has been started up successfully and activity has been transferred from Danstoker A/S to Thermax Chemical Europe A/S as of 01.04.2025.

The activity of "Ejendomsanpartsselskabet Industrivej Nord 13" is to own and lease estate. The service activities in Boilerworks were sold at 1st November 2020. Only few projects need to be finally closed.

Development in the year

The market in general for biomass fired boilers has settled compared to the two previous years where activity was very high due to Europe moving away from dependency of Russian gas and at the same time also the high focus on moving away from fossil fuels towards a more environmentally friendly energy production.

Danstoker has been able to maintain its position as the market leader within medium sized biofuel boilers in our primary markets

As the gas prices have come down again it has been possible to gain back a bit of the lost on oil and gas fired boilers. Danstoker has maintained its position in the primary markets, and with the setup in Poland we are processing on building a stronger position in the eastern part of Europe.

Our production in both Herning and Ostrowiec has been running at full capacity the first 3 quarters of the year. In the last quarter we have reduced our capacity with around 10%, to better match our backlog and expectations going forward.

Order intake has been on a lower level compared to the last two years. Especially on biomass plants we are down to 60% of last year order booking in this segment. The present backlog is back on a more normal level compared to the last two extraordinary high year's.

The waste heat recovery boiler market consists primarily of stainless-steel economizers.

The market segments for electrical boilers are expected to increase significantly over the coming years. The market for Service of boilers has maintained its level.

Compared to last year the revenue is almost on the same level. The results achieved of the primary operation are above expectations.

The year has been positively impacted by sales of Thermax Ion Exchange Resins via Danstoker. For the coming year sale of Ion Exchange Resins to the European market (+100 MDKK business) will be done through a newly established entity Thermax Chemical Europe A/S.

Profit for the year before tax amount DKK 47,646 thousand and after-tax amounts to DKK 37,403 thousand. The total number of employees by end of financial year is 113 in Denmark and 117 in Poland.

Targets and expectations for the year ahead

The overall volume of orders of the Danstoker Group at the end of the financial year is on an acceptable level.

It is the aim of the Danstoker Group to create 2 profitable, strong sales and production companies in Danstoker A/S and Danstoker Poland Sp. z o.o., all as an attractive workplace with competent employees, based on competitive products sold to professional co-operation partners and customers in selected markets where such products are supplied in the quality and at the time and price agreed.

It is also the Group's aim to achieve optimal utilization of the production facilities.

It is not yet known to what extent the potential end of the war in Ukraine will impact the company. For now, we see very good possibilities in the biomass segment when rebuilding of Ukraine will start. However, Danstoker Group will continue to monitor the situation to ensure the Company remains flexible in its ability to respond to changing circumstances.

Besides the above mentioned the Management of the Group is of the opinion that it is not faced with special long-term risks, neither in terms of its markets, nor otherwise.

The growing, necessary, political focus on CO2 on a global scale will in the long term contribute to making our CO2- neutral products within biofuels and electrical boilers even more relevant and will contribute to securing the Danstoker Group's continued positive development.

With all the initiatives taken the profit before tax for the financial year 2025/26 is expected to be around 25 mDKK.

External environment

Danstoker A/S is devoted to environmental issues and is constantly striving to reduce the environmental impact resulting from the operations of the Company. The Company has no outstanding issues with the environmental authorities in complying with environmental permits and other environmental regulations. Danstoker A/S holds a ISO 14001 certificate.

Danstoker A/S has decided for the coming years to focus on 4 of United Nations Sustainable Development Goals: "7 Affordable and clean energy", "9 Industry, Innovation and infrastructure", "12 Responsible consumption and production" and "13 Climate action".

In the coming period the Company will have special attention to reduce the consumption of energy during manufacturing, optimizing the design to reduce material use and better waste management to recycle more material. Furthermore, a project is running with the local university with focus on mental health in Danstoker.

In relation to Code of Conduct Danstoker has decided to lean towards UN Global Compact's ten principles for responsible business conduct.

Subsequent events

Thermax Ion Exchange Resins has been started up successfully in 2024/25 and the activity has been transferred from Danstoker to another subsidiary Thermax Chemical Europe A/S as of 01.04.2025.

Except from above, the Management is of the opinion that from the balance sheet date until today, no events have occurred which could alter the assessment of the annual report substantially.

Balance Sheet 1 April 2024 - 31 March 2025

	Notes	2024/25		2023/24		2024/25		2023/24	
		Group		Group		Parent Company		Parent Company	
		DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs	DKK'000	Rs. Lacs
ASSETS									
Completed development projects		-	-	-	-	-	-	-	-
Acquired other similar rights		-	-	-	-	-	-	-	-
Goodwill		-	-	-	-	-	-	-	-
Intangible assets	7	-	-	-	-	-	-	-	-
Land and buildings		**36,063.00**	**4,469.12**	36,819	4,443.21	-	-	-	-
Plant and machinery		**6,728.00**	**833.77**	3,610	435.64	-	-	-	-
Other fixtures and fittings, tools and equipment		**537.00**	**66.55**	124	14.96	-	-	-	-
Property, plant and equipment	8	**43,328.00**	**5,369.43**	40,553	4,893.81	-	-	-	-
Investments in subsidiaries	9	-	-	-	-	**141,331.00**	**17,514.48**	99,054	11,953.54
Deposits	10	**10.00**	**1.24**	-	-	-	-	-	-
Fixed Asset Investments		**10.00**	**1.24**	-	-	**141,331.00**	**17,514.48**	99,054	11,953.54
Fixed assets		**43,338.00**	**5,370.67**	40,553.00	4,893.81	**141,331.00**	**17,514.48**	99,054	11,953.54
Raw materials and consumables		**20,074.00**	**2,487.68**	31,252.00	3,771.40	-	-	-	-
Work in progress		**3,592.00**	**445.14**	3,104.00	374.58	-	-	-	-
Finished goods and goods for resale		**9,936.00**	**1,231.32**	14,072.00	1,698.17	-	-	-	-
Inventories		**33,602.00**	**4,164.14**	48,428.00	5,844.15	-	-	-	-
Trade receivables		**14,053.00**	**1,741.52**	12,384.00	1,494.46	-	-	-	-
Contract in progress	11	**68,893.00**	**8,537.58**	62,255.00	7,512.75	-	-	-	-
Receivables from group enterprises		**634.00**	**78.57**	784.00	94.61	**466.00**	**57.75**	536	64.68
Other receivables		**2,842.00**	**352.20**	2,482.00	299.52	-	-	-	-
Deferred Tax assets	13	**770.00**	**95.42**	1,847.00	222.89	-	-	595	71.80
Corporation tax receivable		-	-	155.00	18.70	**4,003.00**	**496.07**	155	18.70
Prepayments	12	**1,119.00**	**138.67**	2,020.00	243.77	-	-	-	-
Receivables		**88,311.00**	**10,943.96**	81,927.00	9,886.70	**4,469.00**	**553.82**	1,286	155.19
Cash at bank and in hand		**28,997.00**	**3,593.46**	21,979.00	2,652.36	-	-	-	-
Current assets		**150,910.00**	**18,701.56**	152,334.00	18,383.21	**4,469.00**	**553.82**	1,286	155.19
Assets		**194,248.00**	**24,072.23**	192,887.00	23,277.02	**145,800.00**	**18,068.30**	100,340	12,108.73

THERMAX DENMARK APS

	NOTE	2024/25 Group DKK'000	2024/25 Group Rs. Lacs	2023/24 Group DKK'000	2023/24 Group Rs. Lacs	2024/25 Parent Company DKK'000	2024/25 Parent Company Rs. Lacs	2023/24 Parent Company DKK'000	2023/24 Parent Company Rs. Lacs
LIABILITIES AND EQUITY									
Share capital		**130,000.00**	**16,110.28**	130,000.00	15,688.01	**130,000.00**	**16,110.28**	130,000	15,688.01
Reserve for hedging transactions		**-**	**-**	-	-	**-**	**-**	-	-
Reserve for exchange rate conversion		**2,866.00**	**355.17**	1,791.00	216.13	**-**	**-**	-	-
Retained earnings		**(37,817.00)**	**(4,686.48)**	(75,220.00)	(9,077.32)	**(34,951.00)**	**(4,331.31)**	(73,429)	(8,861.19)
Equity		**95,049.00**	**11,778.97**	56,571.00	6,826.82	**95,049.00**	**11,778.97**	56,571	6,826.82
Provision for deferred tax	13	**6,746.00**	**836.00**	5,982.00	721.89	**-**	**-**	-	-
Other provisions	14	**7,371.00**	**913.45**	1,847.00	222.89	**-**	**-**	-	-
Provisions		**14,117.00**	**1,749.45**	7,829.00	944.78	**-**	**-**	-	-
Mortgage loans		**9,194.00**	**1,139.37**	9,799.00	1,182.51	**-**	**-**	-	-
Lease Obligations		**1,985.00**	**245.99**	409.00	49.36	**-**	**-**	-	-
Long-term Debt	15	**11,179.00**	**1,385.36**	10,208.00	1,231.87	**-**	**-**	-	-
Mortgage loans	15	**335.00**	**41.51**	314.00	37.89	**-**	**-**	-	-
Credit institutions		**-**	**-**	10,500.00	1,267.11	**-**	**-**	-	-
Lease Obligations	15	**774.00**	**95.92**	198.00	23.89	**-**	**-**	-	-
Trade payables		**15,582.00**	**1,931.00**	23,361.00	2,819.14	**-**	**-**	-	-
Contract work in progress	11	**21,397.00**	**2,651.63**	37,632.00	4,541.32	**-**	**-**	-	-
Payable to group enterprises		**7,114.00**	**881.60**	14,779.00	1,783.49	**50,710.00**	**6,284.25**	43,729	5,277.08
Crorporation Tax		**5,466.00**	**677.38**			**-**	**-**		
Other payables		**23,235.00**	**2,879.40**	31,495.00	3,800.72	**-**	**-**	40	4.83
Short term debt		**73,903.00**	**9,158.45**	118,279.00	14,273.55	**50,710.00**	**6,284.25**	43,769	5,281.91
Debt		**85,082.00**	**10,543.81**	128,487.00	15,505.43	**50,710.00**	**6,284.25**	43,769	5,281.91
Liabilities & Equity		**194,248.00**	**24,072.23**	192,887.00	23,277.02	**145,759.00**	**18,063.22**	100,340	12,108.73

Subsequent events	1
Contingent assets, liabilities and other financial obligations	18
Related parties	19
Accounting Policies	20

Exchange rate: as at 31 March 2025 is 1 DKK = Rs 12.3925
Exchange rate: as at 31 March 2024 is 1 DKK = Rs 12.0677

Income Statement 1 April 2024 - 31 March 2025

	Notes	2024/25 Group DKK'000	2024/25 Group Rs. Lacs	2023/24 Group DKK'000	2023/24 Group Rs. Lacs	2024/25 Parent Company DKK'000	2024/25 Parent Company Rs. Lacs	2023/24 Parent Company DKK'000	2023/24 Parent Company Rs. Lacs
Gross profit		**90,424.00**	**11,205.82**	65,433.00	7,896.26	**-**	**-**	-	-
Distribution costs		**(14,404.00)**	**(1,785.02)**	(14,894.00)	(1,797.36)	**-**	**-**	-	-
Administrative expenses		**(27,336.00)**	**(3,387.62)**	(21,557.00)	(2,601.43)	**(99.00)**	**(12.27)**	(105)	(12.67)
Profit/loss before net financial income and expense		**48,684.00**	**6,033.18**	28,982.00	3,497.46	**(99.00)**	**(12.27)**	(105.00)	(12.67)
Income from investments in subsidiaries		**-**	**-**	-	-	**38,882.00**	**4,818.46**	24,565	2,964.43
Financial income	3	**659.00**	**81.67**	488.00	58.89	**250.00**	**30.98**	274	33.07
Financial expenses	4	**(1,697.00)**	**(210.30)**	(3,315.00)	(400.04)	**(2,052.00)**	**(254.29)**	(2,247)	(271.16)
Profit/loss before tax		**47,646.00**	**5,904.54**	26,155.00	3,156.31	**36,981.00**	**4,582.88**	22,487	2,713.66
Tax on profit/loss for the year	5	**(10,243.00)**	**(1,269.37)**	(3,211.00)	(387.49)	**422.00**	**52.30**	457	55.15
Profit/loss for the year	6	**37,403.00**	**4,635.18**	22,944.00	2,768.81	**37,403.00**	**4,635.18**	22,944	2,768.81

Cash flow statement 1 April 2024 - 31 March 2025

	Note	2024/25		2023/24	
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
Result of the year		**37,403.00**	**4,635.18**	22,944	2,768.81
Adjustments	16	**15,063.00**	**1,866.69**	11,070	1,335.89
Change in working capital	17	**(19,540.00)**	**(2,421.50)**	(12,908)	(1,557.70)
Cash flows from operations before financial items		**32,926.00**	**(2,421.50)**	21,106	2,547.01
Financial income		**659.00**	**81.67**	488	58.89
Financial expenses		**(1,693.00)**	**(209.81)**	(3,315)	(400.04)
Cash flows from ordinary activities		**31,892.00**	**(2,550)**	18,279	2,205.85
Corporation tax paid		**(2,781.00)**	**(344.64)**	(63)	(7.60)
Cash flows from operating activities		**29,111.00**	**(2,894.27)**	18,216	2,198.25
Purchase of intangible asset		**-**	**-**	-	-
Purchase of property, plant and equipment		**(2,666.00)**	**(330.38)**	(1,038)	(125.26)
Fixesd assets or investments made		**(10.00)**	**(1.24)**		
Sale of property, plant and equipment				35	4.22
Cash flows from investing activities		**(2,676.00)**	**(331.62)**	(1,003)	(121.04)
Repayment of mortgage loans		**(588.00)**	**(72.87)**	(7,706)	(929.94)
Repayments of loans from credit institutions		**(10,500.00)**	**(1,301.22)**	(37)	(4.47)
Reduction of lease obligations		**(664.00)**	**(82.29)**	(1,014)	(122.37)
Repayment of payables to group enterprises		**(23,849.00)**	**(2,955.49)**	(22,360)	(2,698.34)
Raising of mortgage loans		**-**	**-**	10,113	1,220.41
Raising of loans from credit instituions		**-**	**-**	6,000	724.06
Raising of payabales to group enterprises		**16,184.00**	**2,005.61**	11,511	1,389
Other equity entries				1	0.12
Cash flows from financing activities		**(19,417.00)**	**(2,406.26)**	(3,492)	(421.40)
Change in cash and cash equivalents		**7,018.00**	**(5,632.15)**	13,721	1,656
Cash and cash equivalents at 1 April		**21,979.00**	**2,723.75**	8,258	996.55
Cash and cash equivalents at 31 March		**28,997.00**	**(2,908.40)**	21,979	2,652.36
Cash and cash equivalents are specified as follows:					
Cash at bank and in hand		**28,997.00**	**3,593.46**	21,979	2,628.49
Cash and cash equivalents at 31 March		**28,997.00**	**3,593.46**	21,979	2,628.49

Exchange rate: as at 31 March 2025 is 1 DKK = Rs 12.3925
Exchange rate: as at 31 March 2024 is 1 DKK = Rs 12.0677

Statement of Changes in Equity for the period 1st April 2024 to 31st March 2025

Group

	Share capital		Reserve for hedging transactions		Reserve for exchange rate conversion		Retained earnings		Total	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Equity at 1 April, 2024	130,000	15,688.01	-	-	1,791	216.13	(75,220)	(9,077.32)	56,571	6,826.82
Exchange adjustments	-	-	-	-	1,075	133.22	-	-	1,075	133.22
Fair value adjustment of hedging instruments, beginning of year	-	-	-	-	-	-	-	-	-	-
Tax on adjustment of hedging instruments for the year	-	-	-	-	-	-	-	-	-	-
Other equity movements	-	-	-	-	-	-	-	-	-	-
Net profit/loss for the year	-	-	-	-	-	-	37,403	4,635	37,403	4,635.18
Equity at 31 March, 2025	**130,000**	**16,110.28**	**-**	**-**	**2,866**	**355.17**	**(37,817)**	**(4,686.48)**	**95,049**	**11,778.97**

Parent Company

	Share capital		Retained earnings		Total	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Equity at 1st April, 2024	130,000	15,688.01	(73,429)	(8,861.19)	56,571	6,826.82
Exchange adjustments relating to foreign entities	-	-	479	59.36	479	59.36
Other equity movements	-	-	596	73.86	596	73.86
Net profit/loss for the year	-	-	37,403	4,635.18	37,403	4,635.18
Equity at 31 March 2025	**130,000**	**16,110.28**	**(34,951)**	**(4,331.31)**	**95,049**	**11,778.97**

THERMAX DENMARK APS

Notes to the Financial Statements

1. Subsequent events

Thermax Ion Exchange Resins has been started up successfully in 2024/25 and the activity has been transferred to Thermax Chemical Europe A/S 01.04.2025.

The Management is of the opinion that from the balance sheet date until today, no events have occurred which could alter the assessment of the annual report substantially.

2 Staff

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Wages and salaries	**90,142**	86,565	0	0
Pensions	**6,107**	5,646	**0**	0
Other social security expenses	**667**	683	**0**	0
	96,916	92,894	**0**	0
Including remuneration to the :	**0**	0	**0**	0
Executive board	**0**	0	**0**	0
Board of directors	**0**	0	**0**	0
	0	0	**0**	0
Average number of employees	**245**	236	**0**	0

3 Financial income

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Interest received from group enterprises	**0**	0	**250**	274
Other financial income	**659**	488	**0**	0
	659	488	**250**	274

4 Financial expenses

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Interest paid to group enterprises	**0**	886	**2,052**	2,247
Other financial expenses	**1,697**	2,429	**0**	0
	1,697	3,315	**2,052**	2,247

5 Income tax expense

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Current tax for the year	**8,402**	0	**-1,017**	-364
Deferred tax for the year	**1,841**	3,211	**595**	-93
	10,243	3,211	**-422**	-457

6 Profit allocation

	Parent Company	
	2024/25	2023/24
	TDKK	TDKK
Retained earnings	**37,403**	22,944
	37,403	22,944

7 Intangible fixed assets

	Completed development projects	Acquired other similar rights	Goodwill
	TDKK	**TDKK**	**TDKK**
Cost at 1 April	1,556	4,103	139,453
Cost at 31 March	1,556	4,103	139,453
Impairment losses and amortisation at 1 April	1,556	4,103	139,453
Impairment losses and amortisation at 31 March	1,556	4,103	139,453
Carrying amount at 31 March	0	0	0

8 Property, plant and equipment

Group

	Land and buildings	Plant and machinery	Other fixtures and fittings, tools and equipment
	TDKK	**TDKK**	**TDKK**
Cost at 1 April	52,209	21,245	1,968
Exchange adjustment	608	249	0
Additions for the year	178	4,560	744
Disposals for the year	0	-888	-133
Cost at 31 March	52,995	25,166	2,579
Impairment losses and depreciation at 1 April	15,390	17,635	1,844
Exchange adjustment	112	170	0
Depreciation for the year	1,430	1,371	331
Reversal of impairment and depreciation of sold assets	0	-738	-133
Impairment losses and depreciation at 31 March	16,932	18,438	2,042
Carrying amount at 31 March	**36,063**	**6,728**	**537**
Including assets under finance leases amounting to	0	3,897	0

9 Investments in subsidiaries

	Parent Company	
	2024/25	**2023/24**
	TDKK	**TDKK**
Cost at 1 April	298,896	298,896
Additions for the year	2,000	0
Cost at 31 March	300,896	298,896
Value adjustments at 1 April	-204,826	-232,183
Exchange adjustment	479	724
Net profit/loss for the year	38,882	24,565
Other equity movements, net	596	2,068
Value adjustments at 31 March	-164,869	-204,826
Equity investments with negative net asset value amortised over receivables	5,304	4,984
Carrying amount at 31 March	**141,331**	**99,054**

Investments in subsidiaries are specified as follows

Name	Place of registered office	Ownership
Danstoker A/S	Herning, Denmark	100%
Danstoker Poland Sp. Z.o.o.	Poland, Ostrowiec	100%
Ejendomsanpartsselskabet Industrivej Nord 13	Herning, Denmark	100%
Boilerworks A/S	Herning, Denmark	100%
Thermax Chemical Europe A/S	Herning, Denmark	100%

10. Other fixed asset investments

Group TDKK	Deposits
Cost at 1 April	**0**
Additions for the year	**10**
Cost at 31 March	**10**
Carrying amount at 31 March	**10**

11. Contract work in progress

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Selling price of work in progress	**307,933**	248,996	**0**	0
Payments received on account	**-260,437**	-224,373	**0**	0
	47,496	24,623	**0**	0
Recognised in the balance sheet as follows:				
Contract work in progress recognised in assets	**68,893**	62,255	**0**	0
Prepayments received recognised in debt	**-21,397**	-37,632	**0**	0
	47,496	24,623	**0**	0

12 Prepayments

Prepayments include accrual of expenses relating to subsequent financial years, insurance policies and other prepaid costs.

13 Provision for deferred tax

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Deferred tax liabilities at 1 April	**4,135**	901	**-595**	-502
Amounts recognised in the income statement for the year	**1,841**	3,211	**595**	-93
Amounts recognised in equity for the year	**0**	23	**0**	0
Deferred tax liabilities at 31 March	**5,976**	4,135	**0**	-595
Recognised in the balance sheet as follows:				
Assets	**770**	1,847	**0**	595
Provisions	**-6,746**	-5,982	**0**	0
	5,976	4,135	**0**	-595

Deferred tax comprises timing differences on property, plant and equipment, contract work in progress and tax losses. Deferred tax assets are expected to be utilised within 3 years.

14. Other provisions

Other provisions consists of customer warranties, DKK 7,330 thousand (2023/24: DKK 1,774 thousand) and provision for guarantee obligations and other costs DKK 72 thousand (2023/24: DKK 72 thousand).

Other provisions are expected to fall due within 1 year.

15 Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Mortgage loans				
After 5 years	**7,798**	8,407	**0**	0
Between 1 and 5 years	**1,396**	1,392	**0**	0
Long-term part	**9,194**	9,799	**0**	0
Within 1 year	**335**	314	**0**	0
	9,529	10,113	**0**	0
Lease obligations				
After 5 years	**593**	0	**0**	0
Between 1 and 5 years	**1,392**	409	**0**	0
Long-term part	**1,985**	409	**0**	0
Within 1 year	**774**	198	**0**	0
	2,759	607	**0**	0

16. Cash flow statement - Adjustments

	Group	
	2024/25	2023/24
	TDKK	TDKK
Financial income	**-659**	-488
Financial expenses	**1,697**	3,315
Depreciation, amortisation and impairment losses, including losses and gains on sales	**3,282**	3,852
Tax on profit/loss for the year	**10,243**	3,211
Exchange adjustments	**500**	1,180
	15,063	11,070

17. Cash flow statement - Change in working capital

	Group	
	2024/25	2023/24
	TDKK	TDKK
Change in inventories	**14,826**	-11,457
Change in receivables	**-7,616**	-3,181
Change in other provisions	**5,524**	596
Change in trade payables, etc	**-32,274**	1,030
Fair value adjustments of hedging instruments	**0**	104
	-19,540	-12,908

18. Contingent assets, liabilities and other financial obligations

Charges and security

Land and buildings with a carrying amount of DKK 20,275 thousand at 31 March 2025 have been provided as collateral,nom. DKK 10,000 thousand, for bank loans of DKK 9,529 thousand.

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Rental and lease obligations				
Lease obligations under operating leases. Total future lease payments:				
Within 1 year	**798**	791	**0**	0
Between 1 and 5 years	**525**	802	**0**	0
	1,323	1,593	**0**	0

Guarantee obligations

The Group has a recourse guarantee commitment for performance and advance guarantees, DKK 37,340 thousand.

Other contingent liabilities

The Group is currently involved in legal cases. Management believes that these cases will not have a material impact on the financial statements, beyond what has already been accounted for, based on consultations with legal counsel.

The Parent Company has issued a letter of unlimited guarantee in favour of bank facilities in affiliated Danish companies. Bank facilities only comprise positive bank balances at 31 March 2025.

As management company, the Parent Company is jointly taxed with other Danish group entities. The Parent Company is jointly and severally with other jointly taxed group entities for payment of income taxes and withholding taxes falling due for payment in the group of jointly taxed entities.

19. Related parties and disclosure of consolidated financial statements

Controlling interest	Basis
Thermax Netherlands B.V.	Owner

Transactions

	Group		Parent company	
	2024/25	2023/24	**2024/25**	2023/24
	TDKK	TDKK	**TDKK**	TDKK
Purchase of products and services	**15,777**	19,833	**0**	0
Reimbursed expenses	**319**	1,225	**0**	0
Administrative expenses	**374**	676	**0**	0
Financial income	**0**	0	**250**	274
Financial expenses	**0**	886	**2,052**	2,247
Receivables from group enterprises	**634**	784	**466**	536
Contract work in progress from group enterprises	**0**	84	**0**	0
Payables to group enterprises	**7,114**	14,779	**50,710**	43,729

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
Thermax Ltd.	India

The Group Annual Report of Thermax Ltd. may be obtained at the following address:

www.thermaxglobal.com

20. Accounting policies

The Annual Report of Thermax Denmark ApS for 2024/25 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Consolidated Financial Statements and the Parent Company Financial Statements for 2024/25 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Basis of consolidation

The Consolidated Financial Statements comprise the Parent Company, Thermax Denmark ApS, and subsidiaries in which the Parent Company directly or indirectly holds more than 50% of the votes or in which the Parent Company, through share ownership or otherwise, exercises control. Enterprises in which the Group holds between 20% and 50% of the votes and exercises significant influence but not control are classified as associates.

On consolidation, items of a uniform nature are combined. Elimination is made of intercompany income and expenses, shareholdings, dividends and accounts as well as of realised and unrealised profits and losses on transactions between the consolidated enterprises.

The Parent Company's investments in the consolidated subsidiaries are set off against the Parent Company's share of the net asset value of subsidiaries stated at the time of consolidation.

Business combinations

Business acquisitions carried through on or after 1 July 2018

Acquisitions of subsidiaries are accounted for using the purchase method under which the identifiable assets and liabilities of the entity acquired are measured at fair value at the time of acquisition. Acquired contingent liabilities are recognised at fair value in the Consolidated Financial Statements to the extent that the value can be measured reliably.

The time of acquisition is the time when the Group obtains control of the entity acquired.

The cost of the entity acquired is the fair value of the consideration agreed, including consideration contingent on future events. Transaction costs directly attributable to the acquisition of subsidiaries are recognised in the income statement as incurred.

Positive differences between the cost of the entity acquired and identifiable assets and liabilities are recognised as goodwill in intangible assets in the balance sheet and are amortised in the income statement on a straight-line basis over their estimated useful lives. Where the differences are negative, they are recognised immediately in the income statement.

Where the purchase price allocation is not final, positive and negative differences from acquired subsidiaries due to changes to the recognition and measurement of identifiable net assets may be adjusted for up to 12 months after the time of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.

Where cost includes contingent consideration, this is measured at fair value at the time of acquisition. Contingent consideration is subsequently measured at fair value. Any value adjustments are recognised in the income statement.

In respect of step acquisitions, any previously held investments in the entity acquired are remeasured at fair value at the time of acquisition. The difference between the carrying amount of the investment previously held and the fair value is recognised in the income statement.

Business acquisitions carried through before 1 July 2018

Subject to some exemptions, acquisitions carried through before 1 July 2018 are accounted for under the same accounting policies as those applying to business combinations carried through on or after 1 July 2018. The most material exemptions are:

- Identifiable assets and liabilities of the entity acquired are recognised only if they are probable.
- Identifiable contingent liabilities of the entity acquired are not

recognised in the consolidated balance sheet.

- Where the purchase price allocation is not final, positive and negative differences due to changes to the recognition and measurement of the acquired net assets may be adjusted until the end of the financial year following the year of acquisition. These adjustments are also reflected in the value of goodwill or negative goodwill, including in amortisation already made.
- Transaction costs directly attributable to the acquisition of subsidiaries are included as part of cost.
- After the initial recognition, adjustment of contingent consideration is recognised directly with its counter entry in initial purchase price, thus correcting the value of goodwill or negative goodwill.
- In respect of step acquisitions, the carrying amount of the existing investments is recognised in cost.

Leases

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Group.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the transaction date rates are recognised in financial income and expenses in the income statement; however, see the section on hedge accounting.

Income statements of foreign subsidiaries and associates that are separate legal entities are translated at transaction date rates or approximated average exchange rates. Balance sheet items are translated at the exchange rates at the balance sheet date. Exchange adjustments arising on the translation of the opening equity and exchange adjustments arising from the translation of the income statements at the exchange rates at the balance sheet date are recognised directly in equity.

Income statements of enterprises that are integrated entities are translated at transaction date rates or approximated average exchange rates; however, items derived from non-monetary balance sheet items are translated at the transaction date rates of the underlying assets or liabilities. Monetary balance sheet items are translated at the exchange rates at the balance sheet date, whereas non-monetary items are translated at transaction date rates. Exchange adjustments arising on the translation are recognised in financial income and expenses in the income statement.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Group.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Group. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss is calculated as a summary of revenue, production expenses and other operating income.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with its Danish group entities. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Goodwill

Goodwill is amortised on a straight-line basis over the estimated useful life of 20 years, determined on the basis of Management's experience with the individual business areas.

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 3 year.

Other intangible fixed assets

Patents are measured at cost less accumulated amortisation and less any accumulated impairment losses or at a lower value in use.

Patents are amortised over the remaining patent period or a shorter useful life. The amortisation period is 3 years.

Property, plant and equipment

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	20-50 years
Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Land is not depreciated

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expense.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of deposit.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale, raw materials and consumables equals landed cost.

The cost of finished goods and work in progress comprises the cost of raw materials, consumables and direct labour.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Cash

Cash comprise cash.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realization of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Translation reserve

The translation reserve comprises the share of foreign exchange differences arising on translation of financial statements of entities that have a functional currency other than DKK, foreign exchange adjustments of assets and liabilities considered part of the Company's net investments in such entities and foreign exchange adjustments regarding hedging transactions that hedge the Company's net investments in such entities. The reserve is dissolved on the sale of foreign entities or if the conditions for effective hedging no longer exist. When equity investments in subsidiaries and associates in the parent company financial statements are subject to the limitation requirement in the net revaluation reserve according to the equity method, foreign exchange adjustments will be included in this equity reserve instead.

Hedging reserve

The hedging reserve comprises the cumulative net change in the fair value of hedging transactions that qualify for recognition as a cash flow hedge and where the hedged transaction has not yet been realised. The reserve is dissolved when the hedged transaction is realised, if the hedged cash flows are no longer expected to be realised or if the hedging relationship is no longer effective. The reserve does not represent a limitation under company law and may therefore be negative.

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Group has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans, such as mortgage loans and loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Fair Value

The fair value measurement is based on the principal market. If no principal market exists, the measurement is based on the most advantageous market, i.e. the market that maximises the price of the asset or liability less transaction and/ or transport costs. All assets and liabilities which are measured at fair value, or whose fair value is disclosed, are classified based on the fair value hierarchy, see below:

Level 1: Value in an active market for similar assets/ liabilities

Level 2: Value based on recognised valuation methods on the basis of observable market information

Level 3: Value based on recognised valuation methods and reasonable estimates (non-observable market information).

Cash Flow Statement

With reference to section 86(4) of the Danish Financial Statements Act, the Parent Company has not prepared a cash flow statement for the Company itself but has only prepared a cash flow statement for the Group.

The cash flow statement shows the Group's cash flows for the year broken down by operating, investing and financing activities, changes for the year in cash and cash equivalents as well as the Group's cash and cash equivalents at the beginning and end of the year.

Cash flows from operating activities

Cash flows from operating activities are calculated as the net profit/ loss for the year adjusted for changes in working capital and non-cash operating items such as depreciation, amortisation and impairment losses, and provisions. Working capital comprises current assets less short-term debt excluding items included in cash and cash equivalents.

Cash flows from investing activities

Cash flows from investing activities comprise cash flows from acquisitions and disposals of intangible assets, property, plant and equipment as well as fixed asset investments.

Cash flows from financing activities

Cash flows from financing activities comprise cash flows from the raising and repayment of long-term debt as well as payments to and from shareholders.

Cash and cash equivalents

Cash and cash equivalents comprise "Cash at bank and in hand".

The cash flow statement cannot be immediately derived from the published financial records.

Financial Highlights

Explanation of financial ratios

Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity

DANSTOKER A/S

Management Board

Mahesh Channakeshaviah Bukinkere (Chairman)
Rajendran Arunachalam (Vice chairman)
Sandeep Suresh Mandke
Peter Overgaard
Holger Michael Diechmann Jepsen
(Elected by Employees)
Kim Slumstrup (Elected by employees)

Registered Office

Industrivej Nord 13,
7400 Herning

Auditors

Ernst & Young
Godkendt Revisionspartnerselskab
Bavnehøjvej 5
DK 6700 Esbjerg

Executive Directors

Peter Overgaard (CEO)
Allan Nielsen (CFO)

Bankers

Citi Bank
Sydbank

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Danstoker A/S for the financial year 1 April 2024 - 31 March 2025.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 March 2025 of the Company and of the results of the Company operations for 2024/25.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herning, 23 June 2025

Executive Board

Peter Overgaard
CEO

Allan Harritslev Nielsen
Chief Financial Officer

Board of Directors

Mahesh Channakeshaviah Bukinkere
Chairman

Rajendran Arunachalam
Vice chairman

Sandeep Suresh Mandke

Holger Michael Diechmann Jepsen
Employee representative

Kim Slumstrup
Employee representative

Independent Auditor's Report

To the shareholder of Danstoker A/S

Opinion

We have audited the Financial Statements of Danstoker A/S for the financial year 1 April 2024 - 31 March 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2025 and of the results of the Company´s operations for the financial year 1 April 2024 - 31 March 2025 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement

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 the effectiveness of the Company´s internal control.
- 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 in preparing the Financial Statements 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 contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Plan and perform the audit of the Financial Statements to obtain sufficient appropriate audit evidence regarding the consolidated financial information of the entities or business units as a basis for forming an opinion on the Financial Statements. We are responsible for the direction, supervision and review of the audit work performed. We remain solely responsible for our audit opinion.

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Esbjerg, 23 June 2025

EY
Godkendt Revisionspartnerselskab
CVR No 30 70 02 28

Claes Jensen
State Authorised Public Accountant
mne44108

Company information

Name	Danstoker A/S Industrivej Nord 13 DK-7400 Herning Email: info@danstoker.com Website: www.danstoker.com
CVR no.	16 14 72 49
Financial year	1 April 2024 - 31 March 2025
Incorporated	13 April 1992
Municipality of reg. office	Herning
Board of Directors	Mahesh Channakeshaviah Bukinkere, chairman Rajendran Arunachalam, vice chairman Sandeep Suresh Mandke Holger Michael Diechmann Jepsen, employee representative Kim Slumstrup, employee representative
Executive Board	Peter Overgaard Allan Harritslev Nielsen
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5, 6700 Esbjerg

Financial Highlights

Seen over a 5-year period, the development of the Group is described by the following financial highlights:

(Mio.DKK)	2024/ 25	2023/ 24	2022/ 23	2021/ 22	2020/ 21
Key figures					
Profit/loss					
Gross profit	79	55	24	32	26
Profit/loss of primary operations	39	22	0	6	-2
Profit/loss of financial income and expenses	7	6	2	0	-6
Net profit/loss for the year	37	23	2	5	-7
Balance sheet					
Balance sheet total	196	182	144	131	126
Investment in property, plant and equipment	2	1	1	0	0
Equity	105	67	41	39	34
Number of employees	124	115	105	99	106
Ratios					
Solvency ratio	53.6%	36.8%	28.5%	29.8%	27.0%
Return on equity	43.0%	42.6%	5.0%	13.7%	-18.4%

Management review

Key activities

Danstoker A/S, which has its registered address in the municipality of Herning, is a wholly owned subsidiary of Thermax Denmark ApS.

The ultimate parent company of the company is RDA Holdings Private Limited, Pune, India, which holds the majority through the listed company Thermax Ltd., Pune, India.

Danstoker A/S is the parent company of Danstoker Poland Sp.z o.o..

The Danstoker Group designs, manufactures, sells and do service on boilers and associated equipment within the energy market. The Danstoker Group product range is continuously adapted to the 5 categories:

1. Solid fuel market, mainly based on biofuels
2. Electrical boiler market
3. Waste heat recovery boiler market
4. Oil/gas market
5. Thermax Ion Exchange Resins has been started up successfully and activity has been transferred to Thermax Chemical Europe A/S as of 01.04.2025.

Development in the year

The market in general for biomass fired boilers has settled compared to the two previous years where activity was very high due to Europe moving away from dependency of Russian gas and at the same time also the high focus on moving away from fossil fuels towards a more environmentally friendly energy production.

Danstoker has been able to maintain its position as the market leader within medium sized biofuel boilers in our primary markets.

As the gas prices have come down again it has been possible to gain back a bit of the lost on oil and gas fired boilers. Danstoker has maintained its position in the primary markets, and with the setup in Poland we are processing on building a stronger position in the eastern part of Europe.

Our production in both Herning and Ostrowiec has been running at full capacity the first 3 quarters of the year. In the last quarter we have reduced our capacity with around 10%, to better match our backlog and expectations going forward.

Order intake has been on a lower level compared to the last two years. Especially on biomass plants we are down to 60% of last year order booking in this segment. The present backlog is back on a more normal level compared to the last two extraordinary high year's.

The waste heat recovery boiler market consists primarily of stainless-steel economizers.

The market segments for electrical boilers are expected to increase significantly over the coming years. The market for Service of boilers has maintained its level of turnover.

Compared to last year the revenue is almost on the same level. The results achieved of the primary operation are above expectations.

The year has been positively impacted by sales of Thermax Ion Exchange Resins via Danstoker. For the coming year sale of Ion Exchange Resins to the European market (+100 MDKK business) will be done through a newly established entity Thermax Chemical Europe A/S.

Profit for the year before tax amount DKK 46,410 thousand and after-tax amounts to DKK 37,346 thousand. The total number of employees by end of financial year is 113 in Denmark and 117 in Poland.

Targets and expectations for the year ahead

The overall volume of orders of the Danstoker Group at the end of the financial year is on an acceptable level.

It is the aim of the Danstoker Group to create 2 profitable, strong sales and production companies in Danstoker A/S and Danstoker Poland Sp. z o.o., all as an attractive workplace with competent employees, based on competitive products sold to professional co-operation partners and customers in selected markets where such products are supplied in the quality and at the time and price agreed.

It is also the Group's aim to achieve optimal utilization of the production facilities.

It is not yet known to what extent the potential end of the war in Ukraine will impact the company. For now, we see very good possibilities in the biomass segment when rebuilding of Ukraine will start. However, Danstoker Group will continue to monitor the situation to ensure the Company remains flexible in its ability to respond to changing circumstances.

Besides the above mentioned the Management of the Group is of the opinion that it is not faced with special long-term risks, neither in terms of its markets, nor otherwise.

The growing, necessary, political focus on CO2 on a global scale will in the long term contribute to making our CO2- neutral products within biofuels and electrical boilers even more relevant and will contribute to securing the Danstoker Group's continued positive development.

With all the initiatives taken the profit before tax for the financial year 2025/26 is expected to be around 20 mDKK.

External environment

Danstoker A/S is devoted to environmental issues and is constantly striving to reduce the environmental impact resulting from the operations of the Company. The Company has no outstanding issues with the environmental authorities in complying with environmental permits and other environmental regulations. Danstoker A/S holds a ISO 14001 certificate.

Danstoker A/S has decided for the coming years to focus on 4 of United Nations Sustainable Development Goals: "7 Affordable and clean energy", "9 Industry, Innovation and infrastructure", "12 Responsible consumption and production" and "13 Climate action".

In the coming period the Company will have special attention to reduce the consumption of energy during manufacturing, optimizing the design to reduce material use and better waste management to recycle more material. Furthermore, a project is running with the local university with focus on mental health in Danstoker.

In relation to Code of Conduct Danstoker has decided to lean towards UN Global Compact's ten principles for responsible business conduct.

Subsequent events

Thermax Ion Exchange Resins has been started up successfully in 2024/25 and the activity has been transferred to Thermax Chemical Europe A/S as of 01.04.2025.

Except from above, the Management is of the opinion that from the balance sheet date until today, no events have occurred which could alter the assessment of the annual report substantially.

DANSTOKER A/S

BALANCE SHEET as at 31.03.2025

	Note No	31 Mar 2025		31 Mar 2024	
		DKK'000	Rs. Lacs	DKK'000	Rs. Lacs
ASSETS					
Completed Development Projects		-	-	-	-
Acquired other similar rights		-	-	-	-
Intangible assets	7	-	-	-	-
Plant and machinery		**2,177**	**269.79**	1,154	139.26
Other fixtures and fittings, tools and equipment		**537**	**66.55**	124	14.96
Property, plant and equipment	8	**2,714**	**336.33**	1,278	154.23
Investments					
Investments in subsidiaries	9	**20,253**	**2,509.86**	14,529	1,753.32
Receivables from group enterprises	10	**16,436**	**2,036.84**	20,989	2,532.89
Deposits	10	**10**	**1.24**	-	-
Fixed asset Investments		**36,699**	**4,547.93**	35,518	4,286.21
Fixed Asset		**39,413**	**4,884.27**	36,796	4,440.43
Raw materials and consumables		**13,234**	**1,640.03**	18,492	2,231.56
Work in progress		**3,592**	**445.14**	3,104	374.58
Finished goods and goods for resale		**9,134**	**1,131.93**	12,522	1,511.12
Inventories		**25,960**	**3,217.10**	34,118	4,117.26
Trade receivables		**10,498**	**1,300.97**	8,545	1,031.18
Contract work in progress	11	**57,699**	**7,150.36**	58,093	7,010.49
Receivables from group companies		**34,995**	**4,336.76**	27,128	3,273.73
Other receivables		**1,335**	**165.44**	1,963	236.89
Prepayments	12	**1,119**	**138.67**	2,020	243.77
Receivables		**105,646**	**13,092.21**	97,749	11,796.06
Cash at bank and in hand		**24,828**	**3,076.82**	13,638	1,645.79
Current assets		**156,434**	**19,386.12**	145,505	17,559.11
Assets		**195,847**	**24,270.39**	182,301	21,999.54
LIABILITIES AND EQUITY					
Share capital		**10,001**	**1,239.38**	10,001	1,206.89
Retained earnings		**95,247**	**11,803.51**	56,826	6,857.59
Equity		**105,248**	**13,042.88**	66,827	8,064.48
Provision for deferred tax	13	**3,877**	**480.46**	6,379	769.80
Other provisions	14	**7,372**	**913.58**	1,846	222.77
Provisions		**11,249**	**1,394.04**	8,225	992.57
Credit institutions		-	-	10,500	1,267.11
Lease obligations		-	-	-	-
Trade payables		**12,830**	**1,589.96**	16,220	1,957.38
Contract work in progress	11	**16,106**	**1,995.94**	30,970	3,737.37
Payables to group enterprises		**16,930**	**2,098.05**	22,560	2,722.47
Payables to group enterprises relating to corporation tax		**11,691**	**1,448.81**	80	9.65
Other payables		**21,793**	**2,700.70**	26,919	3,248.50
Short-term debt		**79,350**	**9,833.47**	107,249	12,942.49
Debt		**79,350**	**9,833.47**	107,249	12,942.49
Liabilities and Equity		**195,847**	**24,270.39**	182,301	21,999.54

Subsequent events	1
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Income statement for the period 1 April 2024 - 31 March 2025

	Note No	2024-25		2023-24	
		DKK'000	**Rs. Lacs**	DKK'000	Rs. Lacs
Gross profit		**78,871**	**9,774.11**	54,712	6,602.48
Distribution expenses		**(13,609)**	**(1,686.50)**	(13,625)	(1,644.22)
Administrative expenses		**(26,093)**	**(3,233.58)**	(18,817)	(2,270.78)
Profit/loss before financial income and expenses		**39,169**	**4,854.03**	22,270	2,687.48
Income from investments in subsidiaries		**5,245**	**649.99**	5,151	621.61
Financial income	3	**3,331**	**412.79**	3,686	444.82
Financial expenses	4	**(1,335)**	**(165.44)**	(2,667)	(321.85)
Profit / Loss before tax		**46,410**	**5,751.37**	28,440	3,432.05
Tax on profit/loss for the year	5	**(9,064)**	**(1,123.26)**	(5,155)	(622.09)
Net Profit / Loss for the year	6	**37,346**	**4,628.11**	23,285	2,809.96

Exchange rate: as at 31 March 2025 is 1 DKK = Rs. 12.3925

Exchange rate: as at 31 March 2024 is 1 DKK = Rs. 12.0677

Statement of Changes in Equity

	Share capital		Retained Earnings		Total	
	DKK'000	**Rs. Lacs**	**DKK'000**	**Rs. Lacs**	**DKK'000**	**Rs. Lacs**
Equity at 1 April 2024	10,001	1,206.89	56,826	6,857.59	66,827	8,064.48
Exchange adjustments	-	-	596	73.86	596	73.86
Exchange adjustments relating to foreign entities	-	-	479	59.36	479	59.36
Net profit/loss for the year	-	-	37,346	4,628.11	37,346	4,628.11
Equity at 31 March 2025	**10,001**	**1,239.38**	**95,247**	**11,803.51**	**105,248**	**13,042.88**

The share capital consists of 1 share at a nominal amount of DKK 10,001,000.

The Company's share capital has remained DKK 10,001 thousand over the past 5 years.

DANSTOKER A/S

NOTES TO THE FINANCIAL STATEMENTS

1. Subsequent events

Thermax Ion Exchange Resins has been started up successfully in 2024/25 and the activity has been transferred to Thermax Chemical Europe A/S 01.04.2025.

Except from above, the Management is of the opinion that from the balance sheet date until today, no events have occurred which could alter the assessment of the annual report substantially.

2. Staff

	2024/25 TDKK	2023/24 TDKK
Wages and salaries	**66,414**	63,235
Pensions	**6,107**	5,646
Other social security expenses	**666**	683
	73,187	69,564
Including remuneration to the Executive Board and Board of Directors:		
Executive board	**5,377**	4,921
Board of directors	**60**	60
	5,437	4,981
Average number of employees	**124**	115

3. Financial Income

	2024/25 TDKK	2023/24 TDKK
Interest from group enterprises	**2,677**	3,206
Other financial income	**654**	480
	3,331	3,686

4. Financial expense

	2024/25 TDKK	2023/24 TDKK
Interest to group enterprises	**356**	1,034
Other financial expenses	**979**	1,633
	1,335	2,667

5. Income tax expense

	2024/25 TDKK	2023/24 TDKK
Current tax for the year	**11,566**	81
Deferred tax for the year	**-2,502**	5,074
	9,064	5,155

6. Profit allocation

	2024/25 TDKK	2023/24 TDKK
Retained earnings	**37,346**	23,285
	37,346	23,285

7. Intangible fixed assets

	Completed Development projects	**Acquired other similar rights**
	TDKK	**TDKK**
Cost at 1 April	**1,556**	**4,103**
Cost at 31 March	**1,556**	**4,103**
Impairment losses and amortisation at 1 April	**1,556**	**4,103**
Impairment losses and amortisation at 31 March	**1,556**	**4,103**
Carrying amount at 31 March	**0**	**0**

8. Property, plant and equipment

	Plant and machinery TDKK	**Other fixtures and fittings, tools and equipment TDKK**
Cost at 1 April	**27,161**	**1,968**
Additions for the year	**1,500**	**744**
Disposals for the year	**-738**	**-133**
Cost at 31 March	**27,923**	**2,579**
Impairment losses and depreciation at 1 April	**26,007**	**1,844**
Depreciation for the year	**477**	**331**
Reversal of impairment and depreciation of sold assets	**-738**	**-133**
Impairment losses and depreciation at 31 March	**25,746**	**2,042**
Carrying amount at 31 March	**2,177**	**537**

9. Investments in subsidiaries

	2024/25 TDKK	2023/24 TDKK
Cost at 1 April	**30,379**	30,379
Cost at 31 March	**30,379**	30,379
Value adjustments at 1 April	**-15,850**	-21,725
Exchange adjustment	**479**	724
Net profit/loss for the year	**5,245**	5,151
Value adjustments at 31 March	**-10,126**	-15,850
Carrying amount at 31 March	**20,253**	14,529

Investments in subsidiaries are specified as follows:

Name	Place of registered office	Ownership
Danstoker Poland Sp. Z.o.o.	Poland	100%

10. Other fixed asset investments

	Receivables from group enterprises TDKK	**Deposits**
Cost at 1 April	**20,989**	**0**
Exchange adjustment	**596**	**0**
Additions for the year	**1,514**	**10**
Disposals for the year	**-6,663**	**0**
Cost at 31 March	**16,436**	**10**
Carrying amount at 31 March	**16,436**	**10**

11. Contract work in progress

	2024/25 TDKK	2023/24 TDKK
Selling price of work in progress	**280,185**	237,368
Payments received on account	**-238,592**	-210,245
	41,593	27,123
Recognised in the balance sheet as follows:		
Contract work in progress recognised in assets	**57,699**	58,093
Prepayments received recognised in debt	**-16,106**	-30,970
	41,593	27,123

12. Prepayments

Prepayments comprise prepaid insurance premium, prepaid rent and other prepaid costs.

13. Provision for deferred tax

	2024/25 TDKK	2023/24 TDKK
Deferred tax liabilities at 1 April	**6,379**	1,305
Amounts recognised in the income statement for the year	**-2,502**	5,074
Deferred tax liabilities at 31 March	**3,877**	6,379

14. Other provisions

Other provisions consists of customer warranties, DKK 7,330 thousand (2023/24; DKK 1,774 thousand) and provision for guarantee obligations and other costs DKK 72 thousand (2023/24: DKK 72 thousand).

Other provisions are expected to fall due within 1 year.

15. Contingent assets, liabilities and other financial obligations

	2024/25 TDKK	2023/24 TDKK
Rental and lease obligations		
Lease obligations under operating leases. Total future lease payments:		
Within 1 year	**568**	503
Between 1 and 5 years	**437**	484
	1,005	987

The Company has entered into lease contracts in building with affiliated company with a tenancy commitment amounting to DKK 30,822 thousand, of this DKK 2,802 thousand concerns 2025/26.

Guarantee obligations

The Company has undertaken guarantees whereby it has assumed primary liability for the affiliated companies' outstanding balances with mortgage credit institutions and banks, DKK 9,529 thousand.

Performance bonds and advance payment guarantees issued by guarantee insurers amount to DKK 37,340 thousand.

Other contingent liabilities

The Company has issued a letter of unlimited guarantee in favour of bank facilities in affiliated Danish companies. Bank facilities only comprise positive bank balances at 31 March 2025.

The Company is currently involved in legal cases. Management believes that these cases will not have a material impact on the financial statements, beyond what has already been accounted for, based on consultations with legal counsel.

The Company is jointly taxed with the Danish parent company and Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest, and royalties.

16. Related parties and disclosure of consolidated financial statements

Controlling interest	**Basis**
Thermax Denmark ApS	Owner

Transactions
Related party transactions:

	2024/25 TDKK	2023/24 TDKK
Net sales	**1,933**	1,403
Purchase of products and services	**37,522**	38,980
Reimbursed expenses	**319**	1,225
Administrative expenses	**374**	676
Rent	**2,755**	2,727
Financial income	**2,677**	3,206
Financial expenses	**356**	1,034
Receivables from group enterprises	**51,431**	48,117
Payables to group enterprises	**25,809**	22,640

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	**Place of registered office**
Thermax Denmark ApS	Denmark
Thermax Ltd.	India

The Group Annual Report of Thermax Denmark ApS may be obtained at the following address:

www.cvr.dk

The Group Annual Report of Thermax Ltd. may be obtained at the following address:

www.thermaxglobal.com

17. Accounting policies

The Annual Report of Danstoker A/S for 2024/25 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to medium-sized enterprises of reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024/25 are presented in TDKK.

Consolidated financial statements

With reference to section 112 of the Danish Financial Statements Act and to the consolidated financial statements for 2024/25 of Thermax Denmark ApS, the Company has not prepared consolidated financial statements.

Cash flow statement

With reference to section 86(4) of the Danish Financial Statements Act and to the cash flow statement included in the consolidated financial statements of Thermax Denmark ApS, the Company has not prepared a cash flow statement.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and

the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Production expenses also include amortisation of goodwill to the extent that goodwill relates to production activities.

Production expenses also comprise research and development costs that do not qualify for capitalisation and amortisation of capitalised development costs.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss comprises of revenue, production expenses and other operating income.

Distribution expenses

Distribution expenses comprise costs in the form of salaries to sales and distribution staff, advertising and marketing expenses as well as operation of motor vehicles, depreciation, etc.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Income from investments in subsidiaries

The item "Income from investments in subsidiaries" in the income statement includes the proportionate share of the profit for the year.

Full elimination of intra-group gains/losses is made for equity investments in subsidiaries.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with its Danish group entities. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Intangible fixed assets

Development projects

Costs of development projects comprise salaries, amortisation and other expenses directly or indirectly attributable to the Company's development activities.

Development projects that are clearly defined and identifiable and in respect of which technical feasibility, sufficient resources and a potential future market or development opportunity in the enterprise can be demonstrated, and where it is the intention to manufacture, market or use

the project, are recognised as intangible assets. This applies if sufficient certainty exists that the value in use of future earnings can cover cost of sales, distribution and administrative expenses involved as well as the development costs.

Development projects that do not meet the criteria for recognition in the balance sheet are recognised as expenses in the income statement as incurred.

Capitalised development costs are measured at cost less accumulated amortisation and impairment losses or at a lower recoverable amount. An amount corresponding to the recognised development costs is allocated to the equity item 'Reserve for development costs'. The reserve comprises only development costs recognised in financial years beginning on or after 1 January 2016. The reserve is reduced by amortisation of and impairment losses on the development projects on a continuing basis.

As of the date of completion, capitalised development costs are amortised on a straight-line basis over the period of the expected economic benefit from the development work. The amortisation period is 3 year.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Plant and machinery	3-10 years
Other fixtures and fittings, tools and equipment	3-5 years

The fixed assets' residual values are determined at nil.

Depreciation period and residual value are reassessed annually.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

The recoverable amount of the asset is calculated as the higher of net selling price and value in use. Where a recoverable amount cannot be determined for the individual asset, the assets are assessed in the smallest group of assets for which a reliable recoverable amount can be determined based on a total assessment.

Goodwill, head office buildings and other assets for which a separate value in use cannot be determined as the asset does not on an individual basis generate future cash flows are reviewed for impairment together with the group of assets to which they are attributable.

Investments in subsidiaries

Investments in subsidiaries are recognised and measured under the equity method.

The item "Investments in subsidiaries" in the balance sheet include the proportionate ownership share of the net asset value of the enterprises calculated on the basis of the fair values of identifiable net assets at the time of acquisition with deduction or addition of unrealised intercompany profits or losses and with addition of the remaining value of any increases in value and goodwill calculated at the time of acquisition of the enterprises.

The total net revaluation of investments in subsidiaries is transferred upon distribution of profit to "Reserve for net revaluation under the equity method" under equity. The reserve is reduced by dividend distributed to the Parent Company and adjusted for other equity movements in the subsidiaries.

Subsidiaries with a negative net asset value are recognised at DKK 0. Any legal or constructive obligation of the Parent Company to cover the negative balance of the enterprise is recognised in provisions.

Other fixed asset investments

Other fixed asset investments consist of receivables from group entities and deposits.

Inventories

Inventories are measured at the lower of cost based on weighted average prices and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of raw materials, consumables and goods for resale equals landed costs.

The cost of finished goods and work in progress includes the cost of raw materials, consumables, direct labour and indirect production overheads.

Indirect production overheads include the indirect cost of material and labour as well as maintenance and depreciation of production machinery, buildings and equipment and expenses relating to plant administration and management. Borrowing costs are not recognised in the sales price.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Contract work in progress

Contract work in progress is measured at selling price of the work performed calculated on the basis of the stage of completion. The stage of completion is measured by the proportion that the contract expenses incurred to date bear to the estimated total contract expenses. Where it is probable that total contract expenses will exceed total revenues from a contract, the expected loss is recognised as an expense in the income statement.

Where the selling price cannot be measured reliably, the selling price is measured at the lower of expenses incurred and net realisable value.

Payments received on account are set off against the selling price. The individual contracts are classified as receivables when the net selling price is positive and as liabilities when the net selling price is negative.

Expenses relating to sales work and the winning of contracts are recognised in the income statement as incurred.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Cash

Cash comprise cash.

Equity

Reserve for net revaluation according to the equity method

The net revaluation reserve according to the equity method includes net revaluations of investments in subsidiaries and associates relative to cost. The reserve can be eliminated in case of losses, realization of investments or a change in accounting estimates. The reserve cannot be recognised at a negative amount.

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the recognized development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected

to be distributed for the financial year are presented as a separate item under "Equity".

Provisions

Provisions are recognised when - in consequence of an event occurred before or on the balance sheet date - the Company has a legal or constructive obligation and it is probable that economic benefits must be given up to settle the obligation.

Other provisions include warranty obligations in respect of repair work within the warranty period of 1-5 years. Provisions are measured and recognised based on experience with guarantee work.

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Financial Highlights

Explanation of financial ratios

Solvency ratio	Equity at year end x 100 / Total assets at year end
Return on equity	Net profit for the year x 100 / Average equity

EJENDOMSANPARTSSELSKABET INDUSTRIVEJ NORD 13

Board of Directors	Registered Office	Auditors	Bankers
Mahesh Channakeshaviah Bukinkere (Chairman) Swapnil Dhumane	Industrivej Nord 13 DK - 7400 Herning	Ernst & Young Godkendt Revisionspartnerselskab Bavnehøjvej 5 6700 Esbjerg,	Spar Nord Sydbank

Management's Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Ejendomsanpartsselskabet Industrivej Nord 13 for the financial year 1 April 2024 - 31 March 2025.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 March 2025 of the Company and of the results of the Company operations for 2024/25.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herning, 23 June 2025

Executive Board

Swapnil Vitthal Dhumane
CEO

Board of Directors

Mahesh Channakeshaviah Bukinkere
Chairman

Independent Auditor's Report

To the shareholder of Ejendomsanpartsselskabet Industrivej Nord 13

Opinion

We have audited the Financial Statements of Ejendomsanpartsselskabet Industrivej Nord 13 for the financial year 1 April 2024 - 31 March 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2025 and of the results of the Company´s operations for the financial year 1 April 2024 - 31 March 2025 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 the effectiveness of the Company´s internal control.
- 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 in preparing the Financial Statements 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 contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Esbjerg, 23 June 2025

EY
Godkendt Revisionspartnerselskab
CVR No 30 70 02 28

Claes Jensen
State Authorised Public Accountant
mne44108

Company information

Name	Ejendomsanpartsselskabet Industrivej Nord 13 Industrivej Nord 13 DK-7400 Herning
Financial Period	1 April 2024 - 31 March 2025
CVR no.	13 96 64 43
Municipality of reg. office:	Herning
Board of Directors	Mahesh Channakeshaviah Bukinkere, Chairman
Executive Board	Swapnil Vitthal Dhumane
Auditors	EY Godkendt Revisionspartnerselskab Bavnehøjvej 5 6700 Esbjerg

Management's review

Key activities

The Company's principal activity is to own and lease out the property Industrivej Nord 13, DK-7400 Herninq,

The Company is a fully-owned subsidiary of Thermax Denmark ApS. The ultimate parent company of the company is RDA Holdings Private Limited, Pune, India, which holds the majority through the listed company Thermax Ltd., Pune, India.

Development in the year

The income statement of the Company for 2024/25 shows a profit of TDKK 1,912, and at 31 March 2025 the balance sheet of the Company shows a positive equity of TDKK 34,138.

Management considers the result as satisfactory.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income Statement for the period 1st April 2024 to 31st March 2025

	Note	2024/25		2023/24	
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
Gross profit		**2,758**	**341.79**	2,727	329.09
Administrative expenses		**(951)**	**(117.85)**	(946)	(114.16)
Profit/loss before financial income and expenses		**1,807**	**223.93**	1,781	214.93
Financial income	2	**1,145**	**141.89**	1,014	122.37
Financial expenses		**(500)**	**(61.96)**	(558)	(67.34)
Profit/loss before tax		**2,452**	**303.86**	2,237	269.95
Tax on profit for the year	3	**(540)**	**(66.92)**	(492)	(59.37)
Net profit/loss for the year		**1,912**	**236.95**	1,745	210.58

Distribution of Profit

	2024/25		2023/24	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Proposed distribution of profit				
Retained earnings	**1,912**	**236.95**	1,745	210.58
	1,912	**236.95**	1,745	210.58

Statement of Changes in Equity for the period 1st April 2024 to 31st March 2025

	Share capital		Revaluation reserve		Retained earnings		Total	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Equity at 1 April 2024	200	24.79	1,685	203.34	30,341	3,661.46	32,226	3,888.94
Dissolution of previous years' revaluation	-	-	(83)	(10.29)	83	10.29	-	-
Fair value adjustment of hedging instruments, end of year	-	-	-	-	-	-	-	-
Tax on adjustment of hedging instruments for the year	-	-	-	-	-	-	-	-
Dissolution of reserve	-	-	-	-	-	-	-	-
Net profit/loss for the year	-	-	-	-	1,912	236.95	1,912	236.95
Equity at 31 March 2025	**200**	**24.79**	**1,602**	**198.53**	**32,336**	**4,007.25**	**34,138**	**4,230.56**

Exchange rate : as at 31st Mar 25 is 1 DKK = Rs. 12.3925

Exchange rate : as at 31st Mar 24 is 1 DKK = Rs. 12.0677

EJENDOMSANPARTSSELSKABET INDUSTRIVEJ NORD 13

Financial Statement for the period 1 April 2024- 31 March 2025

Balance sheet

	Note	2024/25		2023/24	
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
Assets					
Land and buildings		**20,275**	**2,512.58**	21,176	2,555.46
Property, plant and equipment	4	**20,275**	**2,512.58**	21,176	2,555.46
Investments in subsidiary		**-**	**-**	-	-
Fixed Assets		**20,275**	**2,512.58**	21,176	2,555.46
Receivables from group enterprises		26,937	3,338.17	24,429	2,948.02
Receivables		**26,937**	**3,338.17**	24,429	2,948.02
Cash at bank and in hand		**2**	**0.25**	-	-
Current assets		**26,939**	**3,338.42**	24,429	2,948.02
Assets		**47,214**	**5,851.01**	45,605	5,503.47
LIABILITIES AND EQUITY					
Share capital		**200**	**24.79**	200	24.14
Revaluation reserve		**1,602**	**198.53**	1,685	203.34
Reserve for hedging transactions		**-**	**-**	-	-
Retained earnings		**32,336**	**4,007.25**	30,341	3,661.46
Equity		**34,138**	**4,230.56**	32,226	3,888.94
Provision for deferred tax		**2,869**	**355.54**	2,818	340.07
Provisions		**2,869**	**355.54**	2,818	340.07
Mortgage loans		**9,194**	**1,139.37**	9,585	1,156.69
Long term debt	5	**9,194**	**1,139.37**	9,585	1,156.69
Mortgage loans	5	**335**	**41.51**	314	37.89
Credit institutions		**-**	**-**	-	-
Payables to group enterprises relating to corporation tax		**489**	**60.60**	436	52.62
Other payables		**189**	**23.42**	226	27.27
Short term debt		**1,013**	**125.54**	976	117.78
Debt		**10,207**	**1,264.90**	10,561	1,274.47
Liabilities and Equity		**47,214**	**5,851.01**	45,605	5,503.47
Staff	1				
Contingent assets, liabilities and other financial obligations	6				
Related parties	7				
Accounting Policies	8				

Financial statements 1 April 2024 - 31 March 2025

Notes to the financial statements

1 Staff

	2024/25	2023/24
Average number of employees	**0**	0

2. Financial income

	2024/25 TDKK	2023/24 TDKK
Interest from group enterprises	**1,140**	1,014
Other financial income	**5**	0
	1,145	1,014

3. Income tax expense

	2024/25 TDKK	2023/24 TDKK
Current tax for the year	**489**	458
Deferred tax for the year	**51**	34
	540	492

4 Property, plant and equipment

	Land and buildings TDKK
Cost at 1 April	41,408
Cost at 31 March	41,408
Revaluations at 1 April	4,080
Revaluations at 31 March	4,080
Impairment losses and depreciation at 1 April	24,312
Depreciation for the year	901
Impairment losses and depreciation at 31 March	25,213
Carrying amount at 31 March	**20,275**
Revaluation less amortisation, depreciation and impairment losses	2,052
Carrying amount at 31 March before revaluations	**18,223**

5. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

	2024/25 TDKK	2023/24 TDKK
Mortgage loans		
After 5 years	7,798	8,407
Between 1 and 5 years	1,396	1,178
Long-term part	9,194	9,585
Within 1 year	**335**	314
	9,529	9,899

6. Contingent assets, liabilities and other financial obligations

Charges and security

Land and buildings with a carrying amount of DKK 20,275 thousand at 31 March 2025 have been provided as collateral, nom. DKK 10,000 thousand, for bank loans of DKK 9,529 thousand.

The Company has issued a letter of unlimited guarantee in favour of bank facilities in affiliated Danish companies. Bank facilities only comprise positive bank balances at 31 March 2025.

Guarantee obligations

The Company has a recourse guarantee commitment for performance and advance guarantees in group-related companies, DKK 547 thousand.

Other contingent liabilities

The company is jointly taxed with the Danish parent company and Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties.

7. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	**Place of registered office**
Thermax Denmark ApS	Denmark

Requisitioning of the parent company's consolidated financial statements:

www.cvr.dk

8 Accounting policies

The Annual Report of Ejendomsanpartsselskabet Industrivej Nord 13 for 2024/25 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024/25 are presented in TDKK.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting, see below.

Hedge accounting

Changes in the fair values of financial instruments that are designated and qualify as fair value hedges of a recognised asset or a recognised liability are recognised in the income statement as are any changes in the fair value of the hedged asset or the hedged liability related to the hedged risk.

Changes in the fair values of derivative financial instruments that are designated and qualify as hedges of expected future transactions are recognised in the fair value reserve under equity as regards the effective portion of the hedge. The ineffective portion is recognised in the income statement. If the hedged transaction results in an asset or a liability, the amount deferred in equity is transferred from equity and recognised in the cost of the asset or the liability, respectively. If the hedged transaction results in an income or an expense, the amount deferred in equity is transferred from equity to the income statement in the period in which the hedged transaction is recognised. The amount is recognised in the same item as the hedged transaction.

Changes in the fair values of financial instruments that are designated and qualify as hedges of net investments in independent foreign subsidiaries or associates are recognised directly in equity as regards the effective portion of the hedge, whereas the ineffective portion is recognised in the income statement.

EJENDOMSANPARTSSELSKABET INDUSTRIVEJ NORD 13

Income statement

Revenue

Revenue comprises rental income, etc., which is recognised in the income statement in the period, which the rent concerns.

Revenue is measured at the fair value of the agreed consideration excluding VAT and taxes charged on behalf of third parties. All discounts and rebates granted are recognised in revenue.

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Gross profit

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss comprises of revenue.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with other group entities. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Property, plant and equipment

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. It is revalued at fair value if any significant changes in the fair value of land and buildings are recognized. Cost includes the acquisition price and costs directly related to the acquisition until the time at which the asset is ready for use.

In connection with significant changes in the fair value of land and buildings, revaluation to fair value is made based on a yearly assessment on each property. Revaluations and reversals hereof, less deferred tax, are taken directly to equity.

Gains or losses are calculated as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains and losses from the disposal of property, plant and equipment are recognised in the income statement as other operating income or other operating expenses.

Depreciation based on cost added revaluations and reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Land and buildings	50 years

Land is not depreciated

Impairment of fixed assets

The carrying amounts of property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by depreciation.

If so, the asset is written down to its lower recoverable amount.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Cash

Cash comprise cash.

Equity

Revaluation reserve

The reserve comprises revaluations of property, plant and equipment/ investments in subsidiaries and associates relative to cost net of deferred tax. The revaluation reserve is reduced by the depreciation charges relating to the revaluation.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the on- account taxation scheme are recognised in the income statement in financial income and expenses.

Joint taxation contributions payable and receivable are recognised in the balance sheet under balances with group enterprises.

Financial liabilities

Loans, such as mortgage loans, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Mortgage loans are measured at amortised cost, which for cash loans corresponds to the remaining loan. Amortised cost of debenture loans corresponds to the remaining loan calculated as the underlying cash value of the loan at the date of raising the loan adjusted for depreciation of the price adjustment of the loan made over the term of the loan at the date of raising the loan.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

Rifox-Hans Richter GmbH Spezialarmaturen, Bremen (Germany)

Board of Directors	Registered Office	Auditors	Bankers
Mahesh Channakeshaviah Bukinkere (Chairman) Sandeep Mandke Peter Overgaard	Bertha - von - suttner - str. 9 28207 Breman, Germany HRB 3148	SBR Siebolds Balion Rauber PartG Steuerberater Wirtschaftsprufer Friedrich-Ebert-StraBe 55 26954 Nordenham	Sydbank

A. Audit Engagement

Our subsequently reported "Audit Report" on the statutory audit of the annual financial statements of the Rifox-Hans Richter GmbH Spezialarmaturen, Bremen, as of March 31, 2025 is addressed to the audited company.

The management of

Rifox-Hans Richter GmbH Spezialarmaturen, Bremen,

(hereinafter referred to as "Rifox" or "the Company")

engaged us to audit the annual financial statements of the Company for the financial year from April 1, 2024 through March 31, 2025 including the bookkeeping system in accordance with Section 316 et seqq. HGB.

RIFOX is a small corporation within the meaning of Section 267 (1) and (4) HGB.

The audit, which is not legally required, was conducted on the basis of the application of management pursuant to the provisions of Section 316 et seqq. HGB.

The Company is required under Section 325 HGB in conjunction with Section 326 HGB to electronically file the balance sheet and the notes to the financial statements with the operator of the electronic Federal Gazette and to publish them in the electronic Federal Gazette.

The Company did not prepare a management report because this is not legally required.

The statutory duty to prepare consolidated financial statements and a group management report does not apply to the group of RIFOX because the size criteria of Section 293 HGB are not satisfied.

This engagement and our liability, also in relation to third parties, are governed by the "General Engagement Terms for Wirtschaftsprufer and Wirtschaftsprufungsgesellschaften" dated January 1, 2024, which are attached to this report.

Our audit was conducted in compliance with the general principles for the conduct of audits of financial statements as set out in the relevant auditing standards issued by the "Institut der Wirtschaftsprufer in Deutschland e. V. (IDW) (Institute of Public Auditors in Germany, Düsseldorf)". This long-form audit report was prepared in accordance with the Generally Accepted Standards for the Issuance of Long-form Audit Reports for the Audits of Financial Statements (IDW PS 450 n.F). As the audit is not legally required, this report is addressed only to the audited company.

B. General Findings

I. Opinion on the Management's Assessment of the Company's Position

Since the management admissibly has not prepared a management report because this is not legally required, we, as auditors, have not been able to comment, as set forth in Section 321 (1) Clause 2 HGB, on the management's assessment of the Company's position which would otherwise have been stated in the management report.

The assessment of the Company's position, and in particular, the assessment of the Company's ability to continue as a going concern and its material opportunities and risks of future development, has been reasonably and appropriately determined. According to the results of our audit and the knowledge obtained, the legal representative's assessment of the Company's position is appropriate in terms of scope and accurate in terms of content.

II. Copy of the Auditors' Report

Based on the final results of our audit we issued the following unrestricted auditor's report dated April 17, 2025:

Independent Auditor's Report

To Rifox-Hans Richter GmbH Spezialarmaturen

Audit Opinion

We have audited the annual financial statements of Rifox-Hans Richter GmbH Spezialarmaturen, which comprise the balance sheet, and the statement of profit and loss, for the financial year from April 01, 2024 to March 31, 2025, and notes to the financial statements, including the presentation of the recognition and measurement policies.

In our opinion, on the basis of the knowledge obtained in the audit, the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities, and financial position of the Company, and of its financial performance for the financial year from April 01, 2024 to March 31, 2025 in compliance with German Legally Required Accounting Principles.

Pursuant to § [Article] 322 Abs. [paragraph] 3 Satz [sentence] 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements.

Basis for the Audit Opinion

We conducted our audit of the annual financial statements in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprufer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor'sResponsibilities for the Audit of the Annual Financial Statements" section of our auditor's report. We are independent of the Company in accordance with the requirements of German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the annual financial statements.

Responsibilities of the Executive Directors and the Supervisory Board for the Annual Financial Statements

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations and that the annual financial statements give a true and fair view of the assets, liabilities, financial position, and financial performance of the Company in compliance with German Legally Required Accounting Principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German Legally Required Accounting Principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting provided no actual or legal circumstances conflict therewith.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, as well as to issue an auditor's report that includes our audit opinion on the annual financial statements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with § 317 HGB and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprufer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual 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 audit opinion. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal control relevant to the audit of the annual financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an audit opinion on the effectiveness of this system of the Company.
- Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.
- Conclude on the appropriateness of the executive directors' 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 the auditor's report to the related disclosures in the annual financial statements or, if such disclosures are inadequate, to modify our audit opinion on the annual financial statements. 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 be able to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German Legally Required Accounting Principles.

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

C. Subject, Nature and Scope of the Audit

The subject of our audit was the bookkeeping system, the annual financial statements for the financial year from April 01, 2024 through March 31, 2025, prepared in accordance with the regulations stipulated by commercial law for all merchants (Sections 242 to 256 HGB), the supplementary regulations for corporations and for certain commercial partnerships (Sections 264 to 288 HGB). The responsibility for the compliance of the bookkeeping system and the annual financial statements with the applicable requirements lies with the Company's legal representatives. Our responsibility was to examine these documents to determine whether they comply with the statutory accounting regulations.

Our audit also included assessing whether the management has taken suitable measures to ensure that developments endangering the going concern of the Company are recognized at an early stage (risk early recognition system). We satisfied ourselves that the system is capable of fulfilling its objectives.

According to Section 317 (4a) HGB, our audit does not have to extend to whether the continued existence of the audited company or the effectiveness and profitability of the management can be guaranteed.

Our engagement to audit the annual financial statements did not include assessing the appropriateness of the Company's insurance coverage, or in particular, whether all risks have been recognized and sufficiently insured.

We conducted our audit at the Company's premises in Bremen, as well as in our office.

We hereby confirm, to have considered the regulations for independence of the Auditor according to § 321 Abs. 4a HGB.

For business year from April 01, 2024 to March 31, 2025 the starting point was the annual financial statements for the financial year from April 01, 2023 through March 31, 2024, which we had audited and provided with an unqualified auditors' report.

We conducted our audit in accordance with the regulations of Section 316 et seqq. HGB and the generally accepted standards for the audit of financial statements as set forth in the IDW Auditing Standards. In accordance herewith we planned our audit in such a way as to detect any inaccuracies and violations of statutory provisions which have a material influence on the presentation of a true and fair view of the net assets, financial position and results of operations. Our engagement did not include detecting or clarifying criminal offenses (such as fraud or any other form of breach of trust) or breach of administrative rules unrelated to the accounting context, or assessing the effectiveness or operational efficiency of the management. However, we planned and conducted our audit such that misstatements and violations which are material to the accounting would be detected with reasonable assurance. The responsibility for the avoidance and detection of misstatements and violations lies with the Company's legal representatives.

In accordance with our risk-driven audit approach we initially acquired up-to-date knowledge of the economic and legal environment of the Company and, through interviews with the management, gathered information about those business risks that may lead to material errors in the accounting records. In addition to that, we examined what measures the Company has taken to manage these business risks. In this connection, we examined the appropriateness of the Company's accounting related internal control system.

We considered this knowledge in determining our further audit procedures. In areas where management has implemented adequate internal controls to limit such risks, we conducted tests of operation to satisfy ourselves of the continuous effectiveness of those internal controls. The degree of effectiveness of those internal controls determined the nature and scope of our examination of individual business transactions and balances and the extent of our analytical audit procedures. To the extent we could rely on the accuracy of the figures to be audited because of the effectiveness of the Company's internal controls, we extensively reduced the scope of our examination of individual transactions. Especially in the case of business transactions which, by their nature, are recorded and processed in large numbers according to identical procedures and within the framework of effective internal control (according to our preliminary findings), the audit focused on the consistent application of the Company's internal controls. In the other areas, we mainly conducted tests of details on a sample basis, and analytical audit procedures. In accordance with the principle of materiality and the requirement of audit procedure efficiency we therefore performed substantive audit procedures to obtain audit assurance.

To audit the items in the annual financial statements of the Company, we reviewed, among other things, excerpts from the Land Register and Commercial Register, supply and service contracts, loan contracts as well as other business records. We observed the physical count of inventories

in Bremen. In order to identify potential risks from pending litigation, we requested attorneys' confirmations, and to audit trade receivables and payables, we requested balance confirmations as of March 31, 2025 (reference date). We obtained bank confirmations as of March 31, 2025 (reference date) in order to audit the relationships with financial services institutions.

The management and the staff members authorized by the management supplied us with all information and supporting documentation which we requested.

The management submitted to us a standard letter of representation relating to the annual financial statements.

D. Findings Regarding Accounting Records

I. Appropriateness of Accounting Records

1. Bookkeeping System and Other Audited Records

According to our findings, the bookkeeping system and the voucher system are proper and in compliance with the statutory regulations. The information obtained from other records audited properly depicts the bookkeeping system and the annual financial statements.

According to our findings, the accounting-related internal control system is generally suitable to ensure complete and accurate recording, processing, documentation and safeguarding of the bookkeeping data.

2. Annual Financial Statements

The annual financial statements of Rifox for the financial year from April 1, 2024 through March 31, 2025 were prepared in accordance with the statutory provisions including legal form, German principles of proper accounting.

The balance sheet and the income statement were properly derived from the bookkeeping system and the other audited records. In doing so, the recognition, disclosure and valuation requirements of commercial law were observed.

The notes to the financial statements comply with the statutory provisions. The disclosures in the notes to the financial statements are complete and appropriate.

II. Overall Impression given by the Annual Financial Statements

The annual financial statements comply with the statutory provisions and, as a whole, give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with [German] principles of proper accounting.

To provide a better understanding of the overall impression given by the annual financial statements, we refer below, as required by law, to the material valuation bases and the influence that changes to the valuation bases have had, as a whole, on the overall impression given by the annual financial statements (Section 321 (2) Clause 4 HGB); we refer to the notes to the financial statements for the financial year 2024/2025 (Appendix III).

III. Analysis of net assets, financial position & result of operations

1. Net assets & financial position

The comparison of the balance sheet as at March 31, 2025 to the balance sheet as at March 31, 2024 structured by aspects of solvency, leads to the following changes; items with a remaining period up to one year are referred to as short-term tied.

	March 31, 2025		March 31, 2024		Change
	TEUR	**%**	TEUR	%	TEUR
Assets structure					
Long and medium term tied					
Tangible assets	**292**	**11,8**	155	7,2	137
	292	**11,8**	155	7,2	137
Short-term tied					
Stocks	**1.075**	**43,5**	1.039	48,0	36
Debtors and other assets	**807**	**32,6**	669	30,9	138
Cash items	**283**	**11,4**	292	13,5	-9
Prepaid expenses	**17**	**0,7**	9	0,4	8
	2.182	**88,2**	2.009	92,8	173
	2.474	**100,0**	2.164	100,0	310
Financial structure					
Long and medium term available					
Shareholders' equity	**1.851**	**74,8**	1.649	76,2	202
	1.851	**74,8**	1.649	76,2	202
Short-term payable					
Provisions	**312**	**12,6**	390	18,0	-78
Bank loans	**138**	**5,6**	0	0,0	138
Trade creditors	**90**	**3,6**	93	4,3	-3
Other creditors	**83**	**3,4**	32	1,5	51
	623	**25,2**	515	23,8	108
	2.474	**100,0**	2.164	100,0	310

Total assets amounted to TEUR 2.473 as at March 31, 2025, which is TEUR 310 more than the TEUR 2.164 reported as at March 31, 2024. This is largely caused by the increase of tangible assets (TEUR 137) and trade debtors (TEUR 138).

Equity increased by TEUR 202 to TEUR 1.851 as at the balance sheet date on March 31, 2025. This is due to the result for the financial year 2024/2025.

The provisions decreased from TEUR 390 to TEUR 312, due to tax provisions because of higher tax prepayments.

The bank loan is used to finance a machine purchased during the financial year.

Rifox-Hans Richter GmbH Spezialarmaturen, Bremen (Germany)

The development of the financial position and results of operations, as well as the causative transactions, is shown by a statement of changes in financial positions (rounding differences are accepted) - according to the German Accounting Standard No. 21 - year on year - as follows:

	2025 TEUR	2024 TEUR
Net result	**202**	264
Loss from disposal of fixed assets	**-**	-
Depreciation	**49**	43
	251	307
Changes on assets (-increase/+decrease)		
Stocks	**-36**	14
Receivables and other assets	**-138**	-340
Deferred charges	**-8**	3
Changes on liabilities and shareholders' equity (+increase/-decrease)		
Provisions	**-79**	170
Trade creditors	**-3**	-1
Other creditors	**52**	-331
Cash flow from operating activities	**39**	-178
Proceeds from disposal of property, plant and equipment	**-**	-
Purchase of property, plant and equipment	**-186**	-26
Cash flow from investing activities	**-186**	-26
Liabilities to banks	**152**	-
Cash payments to lenders	**-14**	-
Cash flow from financing activities	**138**	-
Change in cash funds from cash relevant transactions	**-9**	-204
Cash funds at the beginning of period	**292**	496
Cash funds at the end of period	**283**	292

The solvency of the company was not at risk during the reporting year and up to our audit in April 2025.

2. Results of operations

Based on the income statement (Appendix II) we ascertained the following statement of operations with a view to economic aspects - according to accounting principles - for 2025 - financial year on year:

	2025		2024		Change
	TEUR	**%**	TEUR	%	TEUR
Operating income	**4.255**	**100,0**	4.438	100,0	-183
Cost of material	**1.038**	**24,4**	1.072	24,2	-34
Gross profit	**3.217**	**75,6**	3.366	75,8	-149
Other operating income	**115**	**2,7**	84	6,1	31
Staff costs	**2.405**	**56,5**	2.399	54,1	6
Depreciation	**49**	**1,2**	43	1,0	6
Other operating charges	**573**	**13,5**	620	14,0	-47
Operating charges	**2.912**	**68,4**	2.978	67,1	-66
Operating income (EBIT)	**305**	**7,2**	**388**	**8,7**	**-83**
Interest receivables and similar income	**2**	**0,0**	2	0,0	0
Interest and other similar charges	**9**	**0,2**	4	0,1	5
Financial Income	**-7**	**-0,2**	-2	0,0	-5
Operating and financial income	**298**	**7,0**	**386**	**8,7**	**-88**
Non operating income	**0**	**0,0**	0	0,0	0
Income taxes	**95**	**2,2**	121	2,8	-26
Non operating results	**-95**	**-2,2**	**-121**	**-2,8**	**26**
Other taxes	**1**	**0,0**	1	0,0	0
Result for the year	**202**	**4,7**	**264**	**5,8**	**-62**

The result for the year decreased by TEUR 62 to TEUR 202 compared to the result for the year 2023/2024. The margin decreased from 75,8% to 75,6%.

The business development is mainly due to lower adequate orders. Other costs decreased due to lower consulting fees. The IT migration was completed during the prior year, so no further IT migration costs were incurred.

3. Material company ratios - year on year

The following table illustrates the development of the company overall:

		2025	2024	2023	2022	2021	2020
Balance sheet total	(TEUR)	**2.473**	2.164	2.063	1.850	1.692	1.446
Equity	(TEUR)	**1.851**	1.649	1.386	1.046	778	673
Turnover	(TEUR)	**4.255**	4.438	4.010	3.839	2.817	3.416
Gross profit	(TEUR)	**3.217**	3.366	2.815	2.829	1.953	2.417
Result for the year	(TEUR)	**202**	264	340	268	106	152
Cash flow	(TEUR)	**251**	307	420	332	156	185
Equity ratio	in %	**74,9**	76,2	67,2	56,5	46,0	46,5

E. Conclusion

We have prepared the above report on the audit of the annual financial statements of Rifox-Hans Richter GmbH Spezialarmaturen, Bremen, for the financial year from April 01, 2024 through March 31, 2025 in accordance with the statutory regulations and the generally accepted standards for the issuance of long-form audit reports for the audits of financial statements (IDW PS 450 n.F).

Balance Sheet as at 31 March 2025

Assets	2024/25 EUR	2024/25 Rs Lacs	2023/24 EUR	2023/24 Rs Lacs
A. Fixed assets				
I. Intangible assets				
1. Concessions, industrial property and similar rights and assets and licences in such rights and assets	**33,614**	**31.08**	39,216	35.31
2. Payments on account	**-**	**-**	-	-
II. Tangible assets				
1. Land, similar rights and buildings, including buildings on third-party land	**355**	**0.33**	1,065	0.96
2. Other equipment, factory and office equipment	**2,57,901**	**238.44**	1,14,955	103.51
	2,58,255	**238.76**	1,16,020	104.47
B. Current assets				
I. Stocks				
1. Finished goods and unfinished goods	**10,75,032**	**993.90**	10,38,569	935.20
	10,75,032	**993.90**	10,38,569	935.20
II. Debtors and other assets				
1. Trade debtors	**7,78,223**	**719.49**	6,66,095	599.80
2. Other assets	**28,518**	**26.37**	3,098	2.79
	8,06,741	**745.86**	6,69,193	602.59
III. Cash-in-hand, postal giro balances and bank balances	**2,82,761**	**261.42**	2,91,899	262.85
C. Prepaid expenses	**17,021**	**15.74**	9,056	8.15
	24,73,423	**2,286.75**	21,63,953	1,948.57

Equity and Liabilities

	2024/25 EUR	2024/25 Rs Lacs	2023/24 EUR	2023/24 Rs Lacs
A. Equity				
I. Subscribed capital	**7,16,469**	**662.40**	7,16,469	645.16
II. Unappropriated profits brought forward	**9,33,031**	**862.61**	6,69,168	602.57
III. Net income for the year	**2,01,964**	**186.72**	2,63,863	237.60
	18,51,463	**1,711.73**	16,49,500	1,485.32
B. Provisions				
1. Tax provisions	**11,284**	**10.43**	1,36,611	123.01
2. Other provisions	**3,00,591**	**277.90**	2,53,690	228.44
C. Creditors				
1. Bank Loans	**1,37,543**	**127.16**		
2. Trade creditors	**89,914**	**83.13**	92,631	83.41
3. Other creditors	**82,628**	**76.39**	31,522	28.39
	3,10,085	**286.68**	1,24,153	111.80
-of with taxes : EUR 40,265.61 (2024 : TEUR 25)				
	24,73,423	**2,286.75**	21,63,953	1,948.57

Exchange rate : as at 31st Mar 25 is 1 Euro = Rs. 92.4529

Exchange rate : as at 31st Mar 24 is 1 Euro = Rs. 90.0469

Rifox-Hans Richter GmbH Spezialarmaturen, Bremen (Germany)

Income Statement for the financial year from April 1,2024 to March 31,2025

	2024/25		2023/24	
	EUR	**Rs Lacs**	EUR	Rs Lacs
1. Turnover	**42,18,273**	**3,899.92**	44,52,464	4,009.31
2. Inventory changes- finished and unfinished goods	**36,462**	**33.71**	(14,327)	(12.90)
3. Other operating income	**1,15,118**	**106.43**	84,385	75.99
	43,69,854	**4,040.06**	45,22,522	4,072.39
4. Cost of materials				
a) Cost of raw materials, consumables and goods for resale	**7,60,750**	**703.34**	7,50,247	675.57
b) Cost for purchased services	**2,77,222**	**256.30**	3,21,510	289.51
	10,37,971	**959.63**	10,71,757	965.08
5. Staff costs				
a) Wages and salaries	**19,55,127**	**1,807.57**	19,57,352	1,762.54
b) Social security, pension and other benefits	**4,50,116**	**416.15**	4,41,767	397.80
	24,05,243	**2,223.72**	23,99,119	2,160.33
6. Amortisation and depreciation of fixed intangible and tangible assets	**49,391**	**45.66**	42,847	38.58
7. Other operating charges	**5,71,851**	**528.69**	6,20,207	558.48
	30,26,484	**2,798.07**	30,62,173	2,757.39
8. Other interest receivable and similar income	**1,705**	**1.58**	1,446	1.30
9. Interest payable and other similar charges	**9,384**	**8.68**	3,949	3.56
10. Income taxes	**94,957**	**87.79**	1,21,411	109.33
11. Profit on ordinary activities	**2,02,762**	**187.46**	2,64,679	238.34
12. Other taxes	**798**	**0.74**	816	0.73
13. Profit for the year	**2,01,964**	**186.72**	2,63,863	237.60

Fixed Asset Movement Schedule to March 31, 2025

	Book value April 1, 2024	Additions	Reclassifications	Disposals	Depreciation	Write-up	Book value March 31, 2025
	EUR	**EUR**	**EUR**	**EUR**	**EUR**	**EUR**	**EUR**
I. Intangible assets							
1. Concessions, industrial property and similar rights and assets, and licences in such rights and assets	39,215	-	-	-	5,602	-	**33,613**
2. Payments on account	-	-	-	-	-	-	**-**
	39,215	-	-	-	5,602	-	**33,613**
II. Tangible assets							
1. Land, similar rights and buildings including buildings on third party land	1,065	-	-	-	710	-	**355**
2. Other equipment, factory and office equipment	1,14,956	1,86,029	-	5	43,079	-	**2,57,902**
	1,16,021	1,86,029	-	5	43,789	-	**2,58,256**
	1,55,236	1,86,029	-	5	49,391	-	**2,91,869**

Notes to the Financial Statements for the financial year

April 01, 2024 – March 31, 2025

Rifox-Hans Richter GmbH Spezialarmaturen, Bremen

A. General information on the annual financial statements

The annual financial statements as at 31 March 2024 were prepared in accordance with the provisions of Sections 242 et seq. of the German Commercial Code (HGB), in compliance with the supplementary provisions for corporations (§§ 264 ff HGB) in the version of the German Accounting Standards Directive (BilRUG).

Information on the identification of the company according to the register court:

Company name according to register court:	Rifox-Hans Richter GmbH Spezialarmaturen
Registered office:	Bremen
Register entry:	commercial register
Registry court:	Bremen
Registration number:	HRB 3148

Additionally to these regulations the German Limited Liability Companies Act had to be applied.

The total expenditure format was applied to the profit and loss account.

According to the size classes in § 267 (1) HGB the company is a small limited company.

The easing of restrictions for small limited companies according to § 274a and § 288 HGB were partly applied.

B. Information on accounting and valuation methods

The accounting and valuation methods of the previous year were maintained without change.

The intangible assets and property, plant and equipment were stated at acquisition or production cost and, to the extent that they can be worn out, reduced by scheduled depreciation.

The planned depreciation was made using the straight-line method or the declining-value method. The expected life-spans of the assets were estimated using the depreciation-index in line with the tax rules.

Low-value assets with acquisition costs of up to Euro 800.00 were fully written off in the year of acquisition

Stocks were listed at acquisition or production costs. If necessary the lower value on the key balance sheet date was used.

Trade receivables and other assets were valued considering all recognizable risks. Cash balance and bank accounts were listed at cash value.

To cover the general credit risk and the costs of discounts, general provisions for doubtful debts were formed.

The tax provisions include the taxes relating to the financial year and previous year that have not yet been assessed.

Other provisions account for all recognizable risks and uncertain liabilities. All recognizable risks were accounted for.

Liabilities are recognized at the fulfillment value.

C. Notes to the Balance Sheet

The development of the fixed assets is attached as appendix.

Specifications concerning trade receivables and other assets with a remaining term of more than one year can be gathered from the balance sheet.

Other provisions account for all recognizable risks and uncertain liabilities. The value was estimated according to reasonable commercial evaluation.

Specifications concerning liabilities with a remaining term of up to one year can be gathered from the balance sheet.

The total amount of liabilities recorded in the balance sheet with a remaining term of more than 5 years amounts to Euro 137.543,19 (previous year: Euro 0.00).

D. Other Information

In the financial year, an average of 30 employees were employed (previous year 30).

Members of the board of management:

Mr. Sandeep Mandke, Pune, India

Mr. Mahesh Channakeshaviah Bukinkere, Pune, India

Mr. Peter Overgaard, Hojbjerg, Denmark

The annual accounts were produced before appropriation of net income.

Bremen, April 17, 2025

Rifox-Hans Richter GmbH Spezialarmaturen
Sandeep Mandke, Mahesh Channakeshaviah Bukinkere, Peter Overgaard
Managing Directors

THERMAX SDN. BHD.
(Incorporated in Malaysia)

Board of Directors
Dipu Varghese
Sandeep Mandke

Registered Office
Unit 23A-2, Level 23A,
Oval Tower, Menara Permata,
No. 685, Jalan Damansara,
60000 Kuala Lumpur

Auditors
HLB LER LUM CHEW
A-23-1, Level 23, Hampshire Place Office,
157, Hampshire No. 1 Jalan Mayang Sari,
Off. Jalan Tun Razak, 50450
Kuala Lumpur, Malaysia

Bankers
Citi Bank, Malaysia

DIRECTORS' REPORT

The Directors have pleasure in submitting their report together with the audited financial statements of the Company for the financial year ended 31 March 2025.

Principal Activity

The principal activity of the Company is that of undertaking market research and business development in Malaysia as well as provision of erection, commissioning and supervision services.

There has been no significant changes in the nature of this principal activity during the financial year.

Financial Results

	RM
Profit for the financial year	322,385

Dividend

No dividend has been paid or declared by the Company since the end of the previous financial year. The Board of Directors does not recommend any dividend to be paid for the financial year under review.

Reserves and Provisions

There were no material transfers to or from reserves and provisions during the financial year other than those disclosed in the financial statements.

Issue of Shares and Debentures

There were no issuances of shares or debentures during the financial year under review.

Options Granted Over Unissued Shares

No options were granted to any person to take up unissued shares of the Company during the financial year under review.

Directors

The Directors in office during the financial year and during the period from the end of the financial year to the date of this report are:

Mandke Sandeep Suresh	
Dipu Varghese	(Appointed on 31 March 2025)
Shirsat Sandeep Manohar	(Resigned on 31 March 2025)

Directors' Interests in Shares or Debentures

According to the register of Directors' shareholdings required to be kept under Section 59 of the Companies Act 2016, none of the Directors who held office at the end of the financial year held any shares or debentures in the Company or its holding company or subsidiaries of the holding company during the financial year except as follows:

	No. of ordinary shares			
	As at 1.4.2024	Acquired	Disposed	As at 31.3.2025
Interest in the intermediate holding company - Thermax Limited				
Direct interest				
Mandke Sandeep Suresh	75	-	-	75

Other than as disclosed above, according to the register of Directors' shareholdings, the Director in office at the end of the financial year did not hold any interest in shares or debentures in the Company or its holding company or subsidiaries of the holding company during the financial year.

Directors' Benefits

Since the end of the previous financial year, no Director of the Company has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Company or a related corporation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

There were no arrangements during and at the end of the financial year which had the object of enabling the Directors of the Company to acquire benefits by means of the acquisition of shares in or debentures of the Company or any other body corporate.

Directors' Remuneration

Directors' remuneration is as follows:

	RM
Director's remuneration	
- Salary and allowances	324,477
- Benefits in kind	67,652
	392,129

Auditors' Remuneration

Auditor's remuneration is as follows:

	RM
HLB Ler Lum Chew PLT	
- Statutory audit	6,500

Indemnity and Insurance for Directors and Officers

There was no indemnity given to or insurance effected for Directors or officers of the Company in accordance with Section 289 of the Companies Act 2016.

Other Statutory Information

Before the financial statements of the Company were prepared, the Directors took reasonable steps:

(i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that all known bad debts had been written off and that adequate provision had been made for doubtful debts; and

(ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of the Company have been written down to an amount which the current assets might be expected so to realise.

At the date of this report, the Directors are not aware of any circumstances which would render:

(i) the amount written off for bad debts or the amount of provision for doubtful debts in the financial statements of the Company inadequate to any substantial extent; or

(ii) the values attributed to the current assets in the financial statements of the Company misleading; or

(iii) adherence to the existing method of valuation of assets or liabilities of the Company misleading or inappropriate; or

(iv) any amount stated in the financial statements of the Company misleading.

No contingent or other liability of the Company has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Company to meet its obligations when they fall due.

At the date of this report, there does not exist:

(i) any charge on the assets of the Company which has arisen since the end of the financial year which secures the liabilities of any other person; or

(ii) any contingent liability of the Company which has arisen since the end of the financial year.

In the opinion of the Directors:

(i) the results of the operations of the Company for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and

(ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Company for the financial year in which this report is made.

Immediate Holding Company

The immediate holding company is Thermax Engineering Singapore Pte. Ltd., a company incorporated and domiciled in Singapore.

Intermediate Holding Company

The intermediate holding company is Thermax Limited, a company incorporated and domiciled in India.

Ultimate Holding Company

The Directors regard RDA Holdings Pvt. Ltd., a company incorporated in India, as the ultimate holding company.

Auditors

The auditors, HLB Ler Lum Chew PLT have expressed their willingness to accept re-appointment.

Signed in accordance with a resolution of the Directors.

DIPU VARGHESE
KUALA LUMPUR

MANDKE SANDEEP SURESH
UNITED STATES

STATEMENT BY DIRECTORS

PURSUANT TO SECTION 251(2) OF THE COMPANIES ACT, 2016

We, DIPU VARGHESE and MANDKE SANDEEP SURESH, being the Directors of THERMAX SDN. BHD., do hereby state that, in the opinion of the Directors, the financial statements are drawn up in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Company as of 31 March 2025 and of its financial performance and cash flows for the financial year then ended.

Signed in accordance with a resolution of the Directors.

DIPU VARGHESE
KUALA LUMPUR

MANDKE SANDEEP SURESH
UNITED STATES

STATUTORY DECLARATION

PURSUANT TO SECTION 251(1) OF THE COMPANIES ACT, 2016

I, DIPU VARGHESE, being the Director primarily responsible for the financial management of THERMAX SDN. BHD., do solemnly and sincerely declare that the financial statements are to the best of my knowledge and belief, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed DIPU VARGHESE at

on this date of

DIPU VARGHESE

Before me,

COMMISSIONER FOR OATHS

THERMAX SDN. BHD.
(Incorporated in Malaysia)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBER OF THERMAX SDN. BHD.

Registration No.: 201101016787 (944923-K)

(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of THERMAX SDN. BHD., which comprise the statement of financial position as at 31 March 2025 of the Company, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows of the Company for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 11 to 38.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2025, and of its financial performance and its cash flows for the year then ended in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for Opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Independence and Other Ethical Responsibilities

We are independent of the Company in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants ("By-Laws") and the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) ("IESBA Code"), and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information Other than the Financial Statements and Auditors' Report Thereon

The Directors of the Company are responsible for the other information. The other information comprises the information included in Directors' Report but does not include the financial statements of the Company and our auditors' report thereon.

Our opinion on the financial statements of the Company 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 of the Company, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Company or our knowledge obtained in the audit or otherwise appears to be materially misstated.

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

Responsibilities of the Directors for the Financial Statements

The Directors of the Company are responsible for the preparation of financial statements of the Company that give a true and fair view in accordance with Malaysian Financial Reporting Standards, International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia. The Directors are also responsible for such internal control as the Directors determine is necessary to enable the preparation of financial statements of the Company that are free from material misstatement, whether due to fraud or error.

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

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Company as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' 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 approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Company, 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 the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors.
- Conclude on the appropriateness of the Directors' 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 auditors' report to the related disclosures in the financial statements of the Company 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 auditors' 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 of the Company, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Other Matter

This report is made solely to the member of the Company, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.

HLB LER LUM CHEW PLT
201906002362 & AF 0276
Chartered Accountants

TANG YAN YU
03452/10/2025 J
Chartered Accountant

Dated: 25 April 2025
Kuala Lumpur

STATEMENT OF FINANCIAL POSITION AS AT 31 MARCH 2025

	NOTE	2025		2024	
		RM	Rs Lacs	RM	Rs Lacs
Non-Current assets					
Property, Plant and Equipment	3	**2,656**	**0.51**	4,043	0.71
Right-of-use asset	4	**-**	**-**	22,715	4.01
		2,656.00	**0.51**	26,758.00	4.72
Current Assets					
Trade Receivable	5	**6,81,275**	**131.29**	3,94,567	69.62
Other receivables	6	**60,635**	**11.69**	33,409	5.90
Amount owing by customers on contracts	7	**6,15,196**	**118.56**	4,52,861	79.91
Amount owing by immediate Holding Company	8	**3,58,129**	**69.02**	4,78,590	84.45
Amount owing by Director	9	**6,094**	**1.17**	2,834	0.50
Tax Recoverable		**15,556**	**3.00**	78,965	13.93
Cash & Bank Balance		**14,59,681**	**281.31**	8,60,901	151.91
		31,96,566	**616.03**	23,02,127	406.21
Current Liabilities					
Trade Payable	10	**14,56,329**	**280.66**	6,78,701	119.76
Other Payables	11	**35,790**	**6.90**	23,659	4.17
Contract Liabilities	7	**-**	**-**	2,18,487	38.55
Lease Liability	12	**-**	**-**	23,320	4.11
		14,92,119	**287.56**	9,44,167	166.60
Net Current assets		**17,04,447**	**328.48**	13,57,960	239.61
		17,07,103	**328.99**	13,84,718	244.34
Financed By:					
Share Capital	13	**5,00,000**	**96.36**	5,00,000	88.23
Retained Profits		**12,07,103**	**232.63**	8,84,718	156.11
Shareholder's fund		**17,07,103**	**328.99**	13,84,718	244.34

Approved by the Board of Directors on 25th April, 2025 and signed on its behalf by:

Dipu Varghese
Director

Sandeep Mandke
Director

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

	NOTE	2025		2024	
		RM	Rs Lacs	RM	Rs Lacs
Revenue	14	**18,15,625**	**349.90**	22,30,297	393.54
Cost of sales		**(12,76,139)**	**(245.93)**	(19,37,546)	(341.88)
Gross Profit		**5,39,486**	**103.97**	2,92,751	51.66
Other Operating income		**10,54,670**	**203.25**	11,96,067	211.05
Administration Expenses		**(11,48,966)**	**(221.43)**	(13,53,142)	(238.76)
Finance Costs	15	**(680)**	**(0.13)**	(1,890)	(0.33)
Profit Before Taxation	16	**4,44,510**	**86**	1,33,786	23.61
Taxation	17	**(1,22,125)**	**(23.54)**	(51,598)	(9.10)
Profit / Total comprehensive income for the financial year		**3,22,385**	**62.13**	82,188	14.50

The accompanying notes form an integral part of the financial statements
Exchange Rate : as at 31 March 2025 is 1 RM = Rs 19.27
Exchange Rate : as at 31 March 2024 is 1 RM = Rs 17.64

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Share Capital		Retained Profits		Total	
	RM	Rs Lacs	RM	Rs Lacs	RM	Rs Lacs
At 1 April 2024	**5,00,000**	**96.36**	**8,84,718**	**170.50**	**13,84,718**	**266.86**
Profit / Total comprehensive income for the year	**-**	**-**	**3,22,385**	**62.13**	**3,22,385**	**62.13**
At 31 March 2025	**5,00,000**	**96.36**	**12,07,103**	**232.63**	**17,07,103**	**328.99**
At 1 April 2023	5,00,000	88.23	8,02,530	141.61	13,02,530	229.83
Profit / Total comprehensive income for the year	-	-	82,188	14.50	82,188	14.50
At 31 March 2024	5,00,000	88.23	8,84,718	156.11	13,84,718	244.34

THERMAX SDN. BHD.
(Incorporated in Malaysia)

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31 MARCH 2025

		2025		2024	
		RM	**Rs Lacs**	RM	Rs Lacs
Cash Flows From Operating Activities					
Profit before taxation		**4,44,510**	**85.66**	1,33,786	23.61
Adjustments for:-					
Depreciation of property, plant and equipment		**1,387**	**0.27**	1,387	0.24
Depreciation of right-of-use asset		**22,715**	**4.38**	22,715	4.01
Expected credit losses allowance					
- Trade receivables		**-**	**-**	10,000	1.76
- Contract assets		**(3,920)**	**(0.76)**	(6,440)	(1.14)
Waiver of Debts		**-**	**-**	(41,571)	(7.34)
Unrealised loss on foreign exchange		**(37,079)**	**(7.15)**	39,165	6.91
Finance Costs		**680**	**0.13**	1,890	0.33
Operating profit before working capital changes		**4,28,293**	**82.54**	1,60,932	28.40
Changes in working capital					
Trade receivables		**(2,86,708)**	**(55.25)**	94,532	16.68
Other receivables		**(27,226)**	**(5.25)**	57,324	10.11
Amount owing by customers on contracts		**(3,76,902)**	**(72.64)**	(92,430)	(16.31)
Amount owing by immediate holding company		**1,20,461**	**23.21**	3,64,869	64.38
Trade payables		**8,14,707**	**157.01**	(7,95,340)	(140.34)
Other Payables		**12,131**	**2.34**	(2,71,738)	(47.95)
Amount Owing to a Director		**(3,260)**	**(0.63)**	3,280	0.58
		2,53,203	**48.80**	(6,39,503)	(112.84)
Cash used in operations		**6,81,496**	**131.34**	(4,78,571)	(84.44)
Tax paid		**(58,716)**	**(11.32)**	(1,10,905)	(19.57)
Tax refund		**-**	**-**	36,737	6.48
Net cash used in operating activities		**6,22,780**	**120**	(5,52,739)	(97.53)
Cash flows from Investing Activities					
Purchase of property,plant and equipment		**-**	**-**	(2,399)	(0.42)
Net cash used in investing activities		**-**	**-**	(2,399)	(0.42)
Cash Flows from Financing Activity					
Payment of lease liability	(a)	**(24,000)**	**(4.63)**	(24,000)	(4.23)
Net cash used in financing activity		**(24,000)**	**(4.63)**	(24,000)	(4.23)
Net decrease in cash and cash equivalents		**5,98,780**	**115**	(5,79,138)	(102)
Cash and cash equivalents at the beginning of the financial year		**8,60,901**	**165.91**	14,40,039	254.10
Cash and cash equivalents at end of the financial year		**14,59,681**	**281.31**	8,60,901	151.91
Cash and cash equivalents at end of the financial year comprises:					
Cash & Bank Balances		**14,59,681**	**281.31**	8,60,901	151.91

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

(a) The reconciliation of liability arising from financing activity is as follows:

	Lease liability			
	2025		**2024**	
	RM	**Rs Lacs**	**RM**	**Rs Lacs**
At 1 April	**23,320**	**4.49**	**-**	**-**
Addition of right-of-use asset	-	-	45,430	8.02
Finance costs	680	0.13	1,890	0.33
Repayment of lease liabilities	(24,000)	(4.63)	(24,000)	(4.23)
At 31 March	**-**	**-**	**23,320**	**4.11**

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025

1. Corporate Information

The principal activity of the Company is that of undertaking market research and business development in Malaysia as well as provision of erection, commissioning and supervision services.

There has been no significant changes in the nature of this principal activity during the financial year.

The registered office and principal place of business of the Company is located at Unit 23A-2, Level 23A, Oval Tower, Menara Permata, No. 685, Jalan Damansara, 60000 Kuala Lumpur.

The Company is a private limited liability company, incorporated under the Companies Act, 1965 and domiciled in Malaysia.

The immediate holding company is Thermax Engineering Singapore Pte. Ltd., a company incorporated and domiciled in Singapore.

The intermediate holding company is Thermax Limited, a company incorporated and domiciled in India.

The Directors regard RDA Holdings Pvt. Ltd., a company incorporated in India, as the ultimate holding company.

2. Basis of Preparation and Accounting Policies

(a) Basis of preparation

The financial statements of the Company have been prepared in accordance with Malaysian Financial Reporting Standards ("MFRS"), International Financial Reporting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention except as disclosed in material accounting policy information.

The preparation of financial statements in conformity with MFRS requires the use of certain critical accounting estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements, and the reported amount of revenues and expenses during the reported year. It also requires Directors to exercise their judgement in the process of applying the Company's accounting policies. Although these estimates and judgements are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 2(b) to the financial statements.

Amendments to accounting standards that are effective for the Company's financial year beginning on or after 1 April 2024 are as follows:

- Amendments to MFRS 16, "Leases" (Lease Liability in a Sale and Leaseback)
- Amendments to MFRS 101, "Presentation of Financial Statements" (Non-current Liabilities with Covenants)
- Amendments to MFRS 107, "Statement of Cash Flows" and MFRS 7, "Financial Instruments: Disclosures" (Supplier Finance Arrangements)

The above amendments to accounting standards effective during the financial year do not have any material impact to the financial results and position of the Company.

Accounting standards and amendments to accounting standards that are applicable for the Company in the following periods but are not yet effective:

Annual periods beginning on/after 1 January 2025

- Amendments to MFRS 121 "The Effects of Changes in Foreign Exchange Rates" (Lack of Exchangeability)

Annual periods beginning on/after 1 January 2026

- Annual Improvements to MFRS Accounting Standards – Volume 11
  - Amendments to MFRS 1, "First-time Adoption of Malaysian Financial Reporting Standards"
  - Amendments to MFRS 7, "Financial Instruments: Disclosures"
  - Amendments to MFRS 9, "Financial Instruments"
  - Amendments to MFRS 10, "Consolidated Financial Statements"
  - Amendments to MFRS 107, "Statement of Cash Flows"
- Amendments to MFRS 9, "Financial Instruments" and MFRS 7, "Financial Instruments: Disclosures" (Classification and Measurement of Financial Instruments)

Annual periods beginning on/after 1 January 2027

- MFRS 18, "Presentation and Disclosure in Financial Statements"
- MFRS 19, "Subsidiaries without Public Accountability: Disclosures"

Effective date yet to be determined by the Malaysian Accounting Standards Board

- Amendments to MFRS 10, "Consolidated Financial Statements" and MFRS 128, "Investments in Associates and Joint Ventures" (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The adoption of the accounting standards and amendments to accounting standards are not expected to have any material impact to the financial statements of the Company.

(b) Significant accounting estimates and judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Company's accounting policies, reported amounts of assets, liabilities, income and expenses, and disclosures made. They are assessed on an on-going basis and are based on experience and relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation or 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 discussed below:

(i) Revenue recognition from construction contracts

The Company recognises revenue from construction contracts over the period of the contract by reference to the progress towards complete satisfaction of the performance obligation using the input method. The input method recognises revenue based on direct measurements of the value transferred by the Company to the customer and the Company's efforts or budgeted inputs to the satisfaction of the performance obligation. Significant judgement is required in determining:

- the completeness and accuracy of the budgets;
- the extent of the costs incurred.

Substantial changes in cost estimates in future period can have a significant effect on the Company's revenue recognised. In making the above judgement, the Company relies on past experience and work of specialists.

(c) Foreign currencies

(i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The financial statements are presented in Ringgit Malaysia ("RM"), which is the Company's functional and presentation currency.

(ii) Transaction and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are remeasured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss, except for differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations, are recognised in other comprehensive income and accumulated in the translation reserve.

Non-monetary items denominated in foreign currencies measured at fair value are translated using the spot exchange rates at the date when the fair value was determined. Exchange differences arising on the translation of non-monetary items carried at fair value are included in profit or loss, except for the differences arising on the translation of non-monetary items in respect of which gains and losses are recognised in other comprehensive income.

The principal closing rates used in translation of foreign currency amounts at the financial position were:

	2025	2024
	RM	RM
Foreign currency		
United States Dollar ("USD")	4.4320	4.7205

(d) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposals are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in net in profit or loss.

(ii) Depreciation and impairment

Property, plant and equipment are depreciated on the straight line method to allocate the cost less its residual values over their estimated useful lives as follows:

Office equipment	5 -10 years

Depreciation methods, useful lives and residual values are reviewed at end of each reporting period, and adjusted as appropriate.

At the end of the reporting period, the Company assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount.

(e) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, bank balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three month or less, and are used by the Company in the management of their short term commitments. For the purpose of the statement of cash flows, cash and cash equivalents are presented net of bank overdrafts and pledged deposits.

(f) Financial instruments

(i) Classification

The Company classifies its financial assets at amortised cost.

The classification depends on the Company's business model for managing the financial assets as well as the contractual terms of the cash flows of the financial asset.

Financial assets with embedded derivatives are considered in their entirety when determining whether their cash flows are solely payment of principal and interest.

The Company reclassifies debt instruments when and only when its business model for managing those assets changes.

(ii) Recognition and initial measurement

Regular purchases and sales of financial assets are recognised on the trade-date, the date on which the Company commits to purchase or sell the asset.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(iii) Subsequent measurement

Debt instruments

Debt instruments mainly comprise of trade and other receivables, amount owing by holding company and cash and cash equivalents.

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset.

Debt instruments that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. A gain or loss on a debt instrument that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in profit or loss when the asset is derecognised or impaired. Interest income from these financial assets is included in interest income using the effective interest rate method.

(iv) Impairment

The Company assesses expected credit losses associated with its debt instruments carried at amortised cost on a forward-looking basis. The impairment methodology applied depends

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025

on whether there has been a significant increase in credit risk. Expected credit losses represent a probability-weighted estimate of the difference between present value of cash flows according to contract and present value of cash flows the Company expects to receive, over the remaining life of the financial instrument.

For trade receivables, the Company applies the simplified approach, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

While cash and cash equivalents are also subject to the impairment requirements of MFRS 9, the identified impairment loss was immaterial.

In measuring expected credit losses, trade receivables and contract assets are grouped based on shared credit risk characteristics and days past due.

In calculating the expected credit loss rates, the Company considers historical loss rates for each category of customers and adjusts to reflect current and forward-looking factors affecting the ability of the customers to settle the receivables.

The Company defines a financial instrument as default, which is aligned with the definition of credit-impaired, when the debtor meets unlikeliness to pay criteria, which indicates the debtor is in significant financial difficulty. The Company considers the following instances:

- The debtor is in breach of financial covenants
- Concessions have been made by the Company related to the debtor's financial difficulty
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- The debtor is insolvent

Financial assets that are credit-impaired are assessed for impairment on an individual basis.

The Company writes off financial assets, in whole or in part, when it has exhausted all practical recovery efforts and has concluded there is no reasonable expectation of recovery. The assessment of no reasonable expectation of recovery is based on unavailability of debtor's sources of income or assets to generate sufficient future cash flows to repay the amount. The Company may write-off financial assets that are still subject to enforcement activity.

(g) Financial liabilities

Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss. Finance liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

Fair value though profit or loss category comprises financial liabilities that are derivatives (except for a derivative that is a financial guarantee or a designated and effective hedging instrument) or financial liabilities that are specifically designated into this category upon initial recognition.

All financial liabilities are subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

(h) Share capital

Ordinary shares and non-redeemable preference shares with discretionary dividends are classified as equity.

Other shares that carry mandatory dividend payments and mandatory redemption are classified as financial liabilities or a compound instrument according to the economic substance of the instrument.

(i) Leases

(i) Accounting by lessee

Leases are recognised as right-of-use assets and a corresponding liability at the commencement date on which the leased asset is available for use by the Company.

In determining the lease term, the Company considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. Extension or termination options are taken into consideration in determining the lease term if it is reasonably certain that the lease will be extended or terminated.

Right-of-use assets are initially measured at cost comprising the following:

- The amount of the initial measurement of lease liability;
- Any lease payments made at or before the commencement date less any lease incentive received;
- Any initial direct costs; and
- Decommissioning or restoration costs

Right-of-use assets are subsequently measured at cost, less accumulated depreciation and impairment loss. The right-of-use assets are depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis. If the Company is reasonably certain that it will exercise a purchase option, the right-of-use asset is depreciated over the underlying asset's useful life.

Lease liabilities are initially measured at the present value of the lease payments that are not paid at that date. The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be readily determined, the lessee's incremental borrowing rate is used. Lease payments are allocated between principal and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Short-term leases are leases with a lease term of 12 months or less. Payments associated with short-term leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

(j) Current and deferred income tax

Income tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised, using the liability method, on temporary differences arising between the amounts attributed to assets and

liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit or loss. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when the related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred and current tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

(k) Revenue from contracts with customers

Revenue is recognised by reference to each distinct performance obligation promised in the contract with customer when or as the Company transfers the control of the goods or services promised in a contract and the customer obtains control of the goods or services. Depending on the substance of the respective contract with customer, the control of the promised goods or services may transfer over time or at a point in time.

A contract with customer exists when the contract has commercial substance, the Company and its customer have approved the contract and intend to perform their respective obligations, the Company's and the customer's rights regarding the goods or services to be transferred and the payment terms can be identified, and it is probable that the Company will collect the consideration to which it will be entitled to in exchange of those goods or services.

Construction contracts

Revenue from construction activities is recognised when or as the control of the asset is transferred to the customer. Depending on the terms of the contract and the laws that apply to the contract, control of the asset may transfer over time or at a point in time. Control of the asset is transferred over time if the Company's performance creates and enhances an asset that the customer controls as the Company performs.

If control of the asset transfers over time, revenue is recognised over the period of the contract by reference to the progress towards complete satisfaction of that performance obligation. Otherwise, revenue is recognised at a point in time when the customer obtains control of the asset.

The progress towards complete satisfaction of the performance obligation is assessed by reference to the proportion that contract costs incurred for work performed to-date bear to the estimated total contract costs.

Incremental costs of obtaining a contract, if recoverable, are capitalised as contract assets and are subsequently amortised consistently with the pattern of revenue for the related contract.

(l) Employee benefits

(i) Short-term employee benefits

Short-term employee benefit obligations in respect of salaries, annual bonuses, paid annual leave and sick leave are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit sharing plans if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(ii) Defined contribution plans

As required by law, companies in Malaysia make contributions to the state pension scheme, the Employees Provident Fund ("EPF"). Such contributions are recognised as an expense in profit or loss in the period to which they relate.

3. PROPERTY, PLANT AND EQUIPMENT

	Office equipment	
	2025	**2024**
	RM	**RM**
Cost		
At 1 April	7,319	4,920
Addition	-	2,399
At 31 March	**7,319**	**7,319**
Accumulated depreciation		
At 1 April	3,276	1,889
Charge for the financial year	1,387	1,387
At 31 March	**4,663**	**3,276**
Carrying amount		
At 31 March	**2,656**	**4,043**

4. RIGHT OF USE ASSET

	Office	
	2025	**2024**
	RM	**RM**
Cost		
At 1 April	45,430	-
Addition	-	45,430
Completion of lease	(45,430)	-
At 31 March	**-**	**45,430**
Accumulated depreciation	-	
At 1 April	22,715	-
Charge for the financial year	22,715	22,715
Completion of lease	(45,430)	
At 31 March	**-**	**22,715**
Carrying amount		
At 31 March	**-**	**22,715**

5. Trade Receivables

	2025	2024
	RM	RM
Trade receivables	**691,275**	404,567
Less: Expected credit loss allowance	**(10,000)**	(10,000)
	681,275	394,567

The receivables are non-interest bearing and the Company does not grant credit term to customers. As such, invoices are due for payment upon issuance.

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025

6. Other Receivables

	2025	2024
	RM	RM
Other receivables	**5,964**	7,204
Deposits	**31,671**	22,171
Prepayment	**23,000**	4,034
	60,635	33,409

7. Contract Assets/(Contract Liabilities)

	2025	2024
	RM	RM
Aggregate costs incurred to date	**9,922,665**	8,760,345
Add: Attributable profit	**1,199,306**	681,361
	11,121,971	9,441,706
Less: Progress billings	**(10,506,775)**	(9,203,412)
Less: Expected credit loss allowance	**-**	(3,920)
	615,196	234,374
Represented by:		
- Contract assets	**615,196**	452,861
- Contract liabilities	**-**	(218,487)
	615,196	234,374

Movement on the expected credit loss allowances on contract assets is as follows:

	2025	2024
	RM	RM
At beginning of the financial year	**3,920**	10,360
Charge during the financial year	**-**	3,920
Reversal during the financial year	**(3,920)**	(10,360)
At end of the financial year	**-**	3,920
Represented by:		
Lifetime expected credit loss	**-**	3,920

Unsatisfied long-term contracts

The aggregate amount of the transaction price allocated to the performance obligations that are unsatisfied or partially satisfied as at the reporting date of the Company was RM828,093 (2024: RM624,764) of which the Company expects to be recognised as revenue over the next 12 months (2024: 12 months).

8. Amount Owing by Holding Company

This represents non-trade, unsecured, interest free and repayable on demand owing by intermediate holding company.

9. Amount Owing by a Director

This represents unsecured, interest-free advances to a Director for carrying out his duties.

10. Trade Payable

	2025	2024
	RM	RM
Trade payables	**1,270,601**	644,926
Accrued purchases	**185,728**	33,775
	1,456,329	678,701

The normal trade credit terms granted to the Company range from 30 days to 45 days (2024: 30 to 45 days).

Included in trade payables of the Company is an amount of RM1,165,069 (2024: RM631,488) payable to intermediate holding company.

The currency exposure profile of trade payables are as follows:

	2025	2024
	RM	RM
Ringgit Malaysia	**291,260**	47,213
United States Dollar	**1,165,069**	631,488
	1,456,329	678,701

11. Other Payables

	2025	2024
	RM	RM
Other payables	**8,791**	-
Advances received from customers	**17,500**	7,500
Accruals	**9,499**	16,159
	35,790	23,659

12. Lease Liability

	2025	2024
	RM	RM
Repayable within twelve months	**-**	23,320

13. Share Capital

	Number of ordinary shares		Amount	
	2025	2024	2025	2024
	Units	**Units**	**RM**	**RM**
Issued and fully paid				
At 1 April/31 March	**500,000**	500,000	**500,000**	500,000

14. Revenue

Breakdown of revenue recognised from contracts with customers is as follows:

	2025	2024
	RM	RM
Revenue recognised from contracts with customers:		
Erection, commissioning and supervising activities	**1,815,625**	2,230,297
Geographical market		
Malaysia	**1,815,625**	2,230,297
Timing of revenue recognition		
Over time	**1,815,625**	2,230,297

THERMAX SDN. BHD.
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NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025

15. Finance Cost

	2025	2024
	RM	RM
Interest expense on:		
- lease liability	**680**	1,890

16. Profit Before Taxation

Profit before taxation is derived after charging/(crediting):

	2025	2024
	RM	RM
Auditors' remuneration	**6,500**	6,500
Depreciation of property, plant and equipment	**1,387**	1,387
Depreciation of right-of-use asset	**22,715**	22,715
Directors' remuneration:		
- Salary and allowances	**324,477**	273,801
- Benefits in kind	**67,652**	89,778
Net (reversal)/provision of expected credit loss allowances on:		
- trade receivables	**-**	10,000
- contract assets	**(3,920)**	(6,440)
Office rental	**-**	100
Realised loss on foreign exchange	**-**	43,007
Unrealised (gain)/loss on foreign exchange	**(37,079)**	39,165
Waiver of debts	**-**	(41,571)

17. Taxation

	2025	2024
	RM	RM
Current taxation:		
- Current year	**132,135**	10,870
- (Over)/Under provision in prior years	**(10,010)**	40,728
	122,125	51,598

Income tax is calculated at the statutory rate of 24% (2024: 24%) on the chargeable income of the estimated assessable profit for the financial year.

A reconciliation of income tax expense applicable to profit before taxation at the statutory income tax rate to the income tax expense at the effective income tax rate of the Company is as follows:

	2025	2024
	RM	RM
Profit before taxation	**444,510**	133,786
Taxation on statutory tax rate of 24% (2024: 24%)	**106,682**	32,109
Changes in unrecognised temporary differences	**(7,367)**	(50,265)
Expenses not deductible for tax purposes	**32,820**	29,026
(Over)/Under provision of taxation in prior years	**(10,010)**	40,728
Taxation for the financial year	**122,125**	51,598

The deductible temporary differences of the Company for which no deferred tax assets were recognised in the statement of financial position are as follows:

	2025	2024
	RM	RM
Deferred tax assets		
- advances received from customers	**4,200**	1,800
- lease liability	**-**	5,597
- provisions	**2,400**	3,341
- unrealised foreign exchange difference	**2,122**	11,021
	8,722	21,759
Offsetting	**(523)**	(5,962)
Net deferred tax assets not recognised	**8,199**	15,797
Deferred tax liabilities		
- property, plant and equipment	**523**	510
- right-of-use asset	**-**	5,452
	523	5,962
Offsetting	**(523)**	(5,962)
Net deferred tax liabilities	**-**	-

18. Staff Costs

	2025	2024
	RM	RM
Staff costs (excluding Directors)	**452,637**	543,649

Included in staff costs of the Company (excluding Directors) is contributions made to the Employees Provident Fund under a defined contribution plan amounting to RM33,452 (2024: RM40,435).

The total number of employees of the Company (excluding Directors) at the end of the financial year was 5 (2024: 3).

19. Significant Related Party Transactions

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

The significant related party transactions are as follows:

	2025	2024
	RM	RM
Administration fee charged to intermediate holding company	**1,017,591**	1,153,909
Purchase of equipment from intermediate holding company	**(639,465)**	-

The remuneration of Director during the financial year is disclosed in Note 16 to the financial statements.

NOTES TO FINANCIAL STATEMENTS MARCH 31, 2025

20. Financial Instruments

The table below provides an analysis of financial instruments and their categories in which they are subsequently measured:

	2025	2024
	Amortised costs	Amortised costs
	RM	RM
Financial assets		
Trade receivables	**681,275**	394,567
Other receivables	**37,635**	29,375
Amount owing by holding company	**358,129**	478,590
Amount owing by a Director	**6,094**	2,834
Cash and bank balances	**1,459,681**	860,901
	2,542,814	1,766,267
Financial liabilities		
Trade payables	**1,456,329**	678,701
Other payables	**35,790**	23,659
Lease liability	**-**	23,320
	1,492,119	725,680

Financial risk management objectives and policies

The Company financial risk management policy is to ensure that adequate financial resources are available for the development of the Company's operations whilst managing its financial risks, including credit risk, liquidity risk and market risk.

Credit risk

Credit risk is the risk of a financial loss to the Company if a counterparty of a financial asset fails to meet its contractual obligations. The Company's exposure to credit risk arises mainly from trade and other receivables, contract assets and intercompany receivables.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis through the review of receivables and contract assets ageing.

The maximum exposure to credit risk for the Company is the carrying amount of the financial assets shown in the statement of financial position.

The ageing analysis of the Company's trade receivables is as follows:

	2025	2024
	RM	RM
Past due 0 – 6 months but not individually impaired	**653,667**	394,116
Past due 6 months – 1 year but not individually impaired	**-**	-
Past due more than 1 year but not individually impaired	**27,300**	451
Past due more than 2 years but not individually impaired	**308**	-
	681,275	394,567
Individually impaired	**10,000**	10,000
	691,275	404,567

The Company's trade receivables of RM681,275 (2024: RM394,567) that are past due at the reporting date but not impaired relate mainly to customers who have never defaulted on payments but are slow paymasters and are periodically monitored.

The Company's trade receivables of RM10,000 (2024: 10,000) were individually impaired. The individually impaired receivable relates to trade receivable which is facing cash flows difficulties.

At the reporting date, the Company's concentration of the top 2 (2024: top 1) trade customers of the Company represents 96% (2024: 97%) of the total trade receivables.

Movement on the expected credit loss allowances on trade receivables is as follows:

	2025	2024
	RM	RM
At beginning of the financial year	**-**	-
Charge during the financial year	**10,000**	10,000
At end of the financial year	**10,000**	10,000
Represented by:		
Individually impairment	**10,000**	10,000

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. The Company's exposure to liquidity risk arises principally from trade and other payables.

The table below summarises the maturity profile of the Company's financial liabilities as at the end of the reporting period based on contractual undiscounted payments:

	Carrying amount	**Contractual interest rate**	**Contractual cash flow**	**On demand or within one year**
	RM	**%**	**RM**	**RM**
2025				
Trade payables	**1,456,329**	-	**1,456,329**	1,456,329
Other payables	**35,790**	-	**35,790**	35,790
	1,492,119		**1,492,119**	1,492,119
2024				
Trade payables	**678,701**	-	**678,701**	678,701
Other payables	**23,659**	-	**23,659**	23,659
Lease liability	**23,320**	-	**24,000**	24,000
	725,680		**726,360**	726,360

Market risk

Market risk is the risk that changes in market prices, such as foreign exchange rates, interest rates and cash flow and fair value interest rate risk that may affect the Company's financial position and cash flows.

(a) Foreign currency exchange risk

The Company is exposed to foreign currency risk on transactions and balances that are denominated in currencies other than the functional currency. The currencies give rise to this risk is primarily United States Dollar ("USD"). Foreign currency exchange risk is monitored closely on an ongoing basis to ensure that the net exposure is at an acceptable level.

The Company's exposure to foreign currency exchange risk, denominated in USD, based on carrying amounts as at the end of the reporting period was:

	2025	2024
	RM	RM
Trade payables	**1,165,069**	631,488

The following shows the sensitivity of the Company's equity and profit net of tax to a reasonably possible change in the USD exchange rates against the functional currency, with all other variables remain constant.

	Increase/(decrease) Profit net of tax	
	2025	2024
	RM	RM
USD/RM - strengthening 1%	**(8,855)**	(4,799)
USD/RM - weakening 1%	**8,855**	4,799

Fair value information

The carrying amounts of cash and bank balances, trade and other receivables, amount owing by holding company, amount owing by a Director, trade and other payables are carried at their approximate fair values due to the relatively short term nature of these financial instruments.

The Company does not anticipate the carrying amounts recorded at the reporting date to be significantly different from the values that would eventually be settled. Therefore, the fair value hierarchy is not presented.

21. Capital Management

The objective of the Company's capital management is to ensure that it maintains a strong credit rating and safeguard the Company's ability to continue as a going concern, so as to support its business, maintain the market confidence and maximise its shareholders value.

During the financial year, the Company is not subject to externally imposed capital requirement as it does not have any external borrowings.

22. Date of Authorisation for Issue

The financial statements of the Company for the financial year ended 31 March 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 25 April 2025.

BOILERWORKS A/S

Board of Directors
Mahesh Channakeshaviah Bukinkere (Chairman)
Swapnil Vitthal Dhumane (Vice chairman)
Peter Overgaard

Registered Office
Industrivej Nord 13,
7400 Herning

Auditors
Ernst & Young
Godkendt Revisionspartnerselskab
Bavnehøjvej 5
DK 6700 Esbjerg

Executive Directors
Peter Overgaard

Bankers
Citi Bank
Sydbank

Management Statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of Boilerworks A/S for the financial year 1 April 2024 - 31 March 2025.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 March 2025 of the Company and of the results of the Company operations for 2024/25.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Herning, 23 June 2025

Executive Board:

Peter Overgaard

Board of Directors:

Mahesh Channakeshaviah Bukinkere
Chairman

Swapnil Vitthal Dhumane
Vice chairman

Peter Overgaard

Independent Auditor's Report

To the shareholder of Boilerworks A/S

Opinion

We have audited the Financial Statements of Boilerworks A/S for the financial year 1 April 2024 - 31 March 2025, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 March 2025 and of the results of the Company´s operations for the financial year 1 April 2024 - 31 March 2025 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report.

Independence

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that 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 in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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 ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

BOILERWORKS A/S

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement 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 the effectiveness of the Company´s internal control.
- 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 in preparing the Financial Statements 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 contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

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

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, 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 Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Esbjerg, 23 June 2025

EY
EY
Godkendt Revisionspartnerselskab
CVR No 30 70 02 28

Claes Jensen
State Authorised Public Accountant
mne44108

Company details

Name	Boilerworks A/S
Address, Postal code, City	Industrivej Nord 13, 7400 Herning
CVR no.	35 22 67 88
Financial year	1 April 2024 - 31 March 2025
Municipality of reg. office	Herning
Board of Directors	Mahesh Channakeshaviah Bukinkere, chairman
	Swapnil Vitthal Dhumane, vice chairman
	Peter Overgaard
Executive Board	Peter Overgaard
Auditors	EY
	Godkendt Revisionspartnerselskab
	Bavnehøjvej 5,
	6700 Esbjerg

Management review

Key activities

Boilerworks A/S, which has its registered address in the Danish municipality of Herning, is a fully owned subsidiary of Thermax Denmark ApS. The ultimate parent company of the company is RDA Holdings Private Limited, Pune, India, which holds the majority through the listed company Thermax Ltd., Pune, India.

Boilerworks A/S designs, produces and supplies high-pressure boilers and components to power stations, waste-fuelled and biomass-fuelled plants as well as petrochemical plants. Moreover, the Company manufactures a wide variety of heat exchangers and flue-gas coolers.

The maintenance of boiler systems is one of Boilerworks' specialties. This includes everything from simple repairs to extensive maintenance planning, modernisation and optimisations of the system, installation of new components and control systems.

Development in the year

The income statement of the Company for 2024/25 shows a loss of TDKK 322, and at 31 March 2025 the balance sheet of the Company shows a negative equity of TDKK 5,305.

All projects has been closed.

Capital resources

Management is aware that the Company is subject to capital loss regulations in the Danish Companies Act § 119. Management expects that the capital will be re-established through capital contributions.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Financial Statements 31 March 2025

Balance Sheet

	Note	2024/25		2023/24	
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
ASSETS					
Trade receivables		-	-	-	-
Contract work in progress		-	-	-	-
Receivables from group enterprise		-	-	519.00	62.63
Other receivables		2.00	0.25	-	-
Deferred Tax Assets		-	-	2,619.00	316.05
Corporation tax receivable from group enterprises		2,711.00	335.96	175.00	21.12
Receivables		2,713.00	336.21	3,313.00	399.80
Cash at bank and in hand		39.00	4.83	73.00	8.81
Total current assets		2,752.00	341.04	3,386.00	408.61
Total assets		2,752.00	341.04	3,386.00	408.61
EQUITY AND LIABILITIES					
Share capital		500.00	61.96	500.00	60.34
Retained earnings		(5,805.00)	(719.39)	(5,483.00)	(661.67)
Equity		(5,305.00)	(657.42)	(4,983.00)	(601.33)
Other provisions					
Provisions		-	-	-	-
		-	-	-	-
Lease obligations		-	-	-	-
Trade payables		-	-	-	-
Payables to group enterprises		7,997	991.03	5,695	687.26
Other payables		60	7.44	2,674	322.69
Short-term debt		8,057	998.47	8,369	1,009.95
Total Equity And liabilities		2,752	341.04	3,386	408.61
Capital Resources	1				
Staff	2				
Contingent assets, liabilities and other financial obligations	6				
Related parties	7				
Accounting Policies	8				

Income Statement 31 March 2025

	Note	2024/25		2023/24	
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
Gross profit / loss		1	0.12	(168)	(20.27)
Administrative expenses		(132)	(16.36)	(98)	(11.83)
Operating (Loss)/ Profit		(131)	(16.23)	(266)	(32.10)
Financial income	3	4	0.50	9	1.09
Financial expenses	4	(287)	(35.57)	(339)	(40.91)
Profit / (Loss) before tax		(414)	(51.31)	(596)	(71.92)
Tax on profit / (loss) for the year	5	92	11.40	131	15.81
Profit / (Loss) for the year		(322)	(39.90)	(465)	(56.11)

Distribution of Profit 31 March 2025

	Note	2024/25		2023/24	
		DKK'000	Rs Lacs	DKK'000	Rs Lacs
Proposed distribution of profit		(322)	(39.90)	(465)	(56.11)
Retained earnings		(322)	(39.90)	(465)	(56.11)

Statement of Changes in Equity

	Share Capital		Retained earnings		Total Equity	
	DKK'000	Rs Lacs	DKK'000	Rs Lacs	DKK'000	Rs Lacs
Equity at 1 April	500	60.34	(5,483)	(661.67)	(4,983)	(601.33)
Net profit/ (loss) for the year	-	-	(322)	(39.90)	(322)	(39.90)
Equity at 31 March 2025	**500**	**61.96**	**(5,805)**	**(719.39)**	**(5,305)**	**(657.42)**

Exchange rate : as at 31st Mar 25 is 1 DKK = Rs. 12.3925

Exchange rate : as at 31st Mar 24 is 1 DKK = Rs. 12.0677

BOILERWORKS A/S

NOTES TO THE FINANCIAL STATEMENTS

1. Capital resources

The Company is financed by payables to group companies. Group companies have declared that such payables will not be withdrawn unless sufficient cash resources in the company is available.

2. Staff

	2024/25	2023/24
Average number of employees	**0**	0

3. Financial income

	2024/25 TDKK	2023/24 TDKK
Interest paid to group enterprises	**4**	0
Other financial expenses	**0**	9
	4	9

4. Financial expenses

	2024/25 TDKK	2023/24 TDKK
Interest paid to group enterprises	**250**	255
Other financial expenses	**37**	84
	287	339

5. Income tax expense

	2024/25 TDKK	2023/24 TDKK
Current tax for the year	**-2,711**	-175
Deferred tax for the year	**2,619**	44
	-92	-131

6. Contingent assets, liabilities and other financial obligations

Guarantee obligations

Performance bonds and advance payment guarantees issued by guarantors' amount to DKK 1,646 thousand.

Other contingent liabilities

The Company has issued a letter of unlimited guarantee in favour of bank facilities in affiliated Danish companies. Bank facilities only comprise positive bank balances at 31 March 2025

The Company is jointly taxed with the Danish parent company and Danish subsidiaries. The companies included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest, and royalties.

7. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company:

Name	Place of registered office
Thermax Denmark ApS	Denmark

Requisitioning of the parent company's consolidated financial statements:

www.cvr.dk

8. Accounting policies

The Annual Report of Boilerworks A/S for 2024/25 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024/25 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

The Company has chosen IAS 17 as interpretation for classification and recognition of leases.

Translation policies

Danish kroner is used as the presentation currency. All other currencies are regarded as foreign currencies.

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Gains and losses arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Fixed assets acquired in foreign currencies are measured at the transaction date rates.

Derivative financial instruments

Derivative financial instruments are initially recognised in the balance sheet at cost and are subsequently remeasured at their fair values. Positive and negative fair values of derivative financial instruments are classified as "Other receivables" and "Other payables", respectively.

Changes in the fair values of derivative financial instruments are recognised in the income statement unless the derivative financial instrument is designated and qualify as hedge accounting.

NOTES TO THE FINANCIAL STATEMENTS

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to the Company.

Contract work in progress (construction contracts) is recognised at the rate of completion, which means that revenue equals the selling price of the work completed for the year (percentage-of-completion method). This method is applied when total revenues and expenses in respect of the contract and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the contract.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of- completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

The Company has chosen IAS 11/IAS 18 as interpretation for revenue recognition.

Production expenses

Production expenses comprise costs incurred to achieve revenue for the year. Cost comprises raw materials, consumables, direct labour costs and indirect production costs such as maintenance and depreciation, etc, as well as operation, administration and management of factories.

Production expenses also include research and development costs that do not qualify for capitalisation as well as amortisation of capitalised development costs. Finally, provisions for losses on contract work are recognised.

Gross profit/loss

With reference to section 32 of the Danish Financial Statements Act, gross profit/loss comprises of revenue, production expenses and other operating income.

Administrative expenses

Administrative expenses comprise expenses for Management, administrative staff, office expenses, depreciation, etc.

Financial income and expenses

Financial income and expenses comprise interest, financial expenses in respect of finance leases, realised and unrealised exchange adjustments, price adjustment of securities, amortisation of mortgage loans as well as extra payments and repayment under the on-account taxation scheme.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with other group entities. The tax effect of the joint taxation with the subsidiaries is allocated to enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit for tax losses).

Balance sheet

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

The Company has chosen IAS 39 as interpretation for impairment write-down of financial receivables.

Cash

Cash comprise cash.

Equity

Reserve for development costs

The reserve for development costs comprises recognised development costs. The reserve cannot be used to distribute dividends or cover losses. The reserve will be reduced or dissolved if the recognized development costs are no longer part of the Company's operations by a transfer directly to the distributable reserves under equity.

Proposed dividends

Dividend proposed for the year is recognised as a liability once adopted at the annual general meeting (declaration date). Dividends expected to be distributed for the financial year are presented as a separate item under "Equity".

Deferred tax assets and liabilities

Deferred tax is recognised in respect of all temporary differences between the carrying amount and the tax base of assets and liabilities. However, deferred tax is not recognised in respect of temporary differences concerning goodwill not deductible for tax purposes and other items - apart from business acquisitions - where temporary differences have arisen at the time of acquisition without affecting the profit for the year or the taxable income.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. In cases where the computation of the tax base may be made according to alternative tax rules, deferred tax is measured on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets, including the tax base of tax loss carry-forwards, are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities.

Deferred tax assets and liabilities are offset within the same legal tax entity.

Current tax receivables and liabilities

Current tax receivables and liabilities are recognised in the balance sheet at the amount calculated on the basis of the expected taxable income for the year adjusted for tax on taxable incomes for prior years. Tax receivables and liabilities are offset if there is a legally enforceable right of set-off and an intention to settle on a net basis or simultaneously.

Joint taxation contributions payable and receivable are recognised in the balance sheet under balances with group enterprises.

Financial debts

Loans are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

The Company has chosen IAS 39 as interpretation for recognition and measurement of liabilities.

PT THERMAX INTERNATIONAL INDONESIA

Board of Commissioner
Rajendran Arunachalam
Commissioner

Board of Directors
Hemant Yashodhar Joshi
Dinesh Satyanarayanji Mandhana
Mahesh Channakeshaviah Bukinkere

Registered Office
Menara Palma 9th Floor Unit 9-02B/03,
Jl. H.R. Rasuna Said Blok. X Kav. 6,
South Jakarta 12950.

Auditors
Purwantono, Sungkoro & Surja
Indonesia Stock Exchange Building, Tower 2,
7th floor, Jl Jend Sudirman, Kav 52-53,
Jakarta 12190 - Indonesia.

Bankers
Citi Bank,NA.
PT- Mandiri Bank
PT Bank Negara

STATEMENT OF DIRECTORS REGARDING THE RESPONSIBILITY FOR THE FINANCIAL STATEMENTS AS OF MARCH 31, 2025

PT THERMAX INTERNATIONAL INDONESIA

I, the undersigned below:

Rabindranath Raghavan Pillai
Apartemen The Masterpiece and
Empyreal Unit GI 317A Tower
Masterpiece, Kawasan Rasuna Epicentrum,
Karet, Kuningan, Jakarta Selatan
+62 811-9005-2802
President Director

confirm that:

1. I am responsible for the preparation and the presentation of the financial statements of PT Thermax /international Indonesia (the "Company'?;
2. The financial statements of the Company for the year ended March 31, 2025 have been prepared and presented in accordance with Indonesian Financial Accounting Standards;
3. a. All information in financial statements of the Company has been fully disclosed in a complete and truthly manner;

   b. The financial statements of the Company do not contain false material information or facts, nor do they omit any material information or facts;
4. I am responsible for the Company's internal control system

This statement is made truthfully.

Rabindranath Raghavan Pillai

President Director

Jakarta

May 9, 2025

INDEPENDENT AUDITORS' REPORT

Report No. 01250/2.1032/AU.1/10/0687- 8/1/V/2025

The Shareholders, the Commissioner, and the Board of Directors

PT Thermax International Indonesia

Opinion

We have audited the accompanying financial statements of PT Thermax International Indonesia (the "Company"), which comprise the statement of financial position as of March 31, 2025, and the statement of profit or loss and other comprehensive loss, statement of changes in equity, and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as of March 31, 2025, and its financial performance and cash flows for the year then ended, in accordance with Indonesian Financial Accounting Standards.

Basis for opinion

We conducted our audit in accordance with Standards on Auditing established by the Indonesian Institute of Certified Public Accountants ("IICPA"). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report. We are independent of the Company in accordance with the ethical requirements relevant to our audit of the financial statements in Indonesia, and we have fulfilled our other ethical responsibilities in accordance with such requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Indonesian Financial Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 its operations or has no realistic alternative but to do so.

Those charged with governance are 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 taken as a whole are free from material misstatement, whether due to fraud or error, and to issue an independent 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 Standards on Auditing established by the IICPA will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected

to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing established by the IICPA, 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 such 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 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 the effectiveness of the Company's internal control.
- 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 independent auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusion is based on the audit evidence obtained up to the date of our independent auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

  As part of an audit in accordance with Standards on Auditing established by the IICPA, we exercise professional judgment and maintain professional skepticism throughout the audit. We also: (continued)

  - Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

KAP, Purwantono, Sungkoro & Surja

Agung Purwanto
Public Accountant Registration No. AP.0687
May 9, 2025

PT THERMAX INTERNATIONAL INDONESIA

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH 2025

ASSETS	Notes	2025		2024	
		Rp'000	Rs Lakhs	Rp'000	Rs Lakhs
CURRENT ASSETS					
Cash on hand and in banks	4	**10,816,415**	**558.43**	743,529	39.10
Trade Receivables	5	**38,684,580**	**1,997.20**	39,922,740	2,099.34
Unbilled Receivables	6	**23,936,351**	**1,235.78**	26,326,237	1,384.37
Advances and prepayments		**9,616,605**	**496.49**	7,710,975	405.48
Inventories	7	**7,936,712**	**409.76**	8,192,944	430.83
Prepaid Taxes	14a	**10,568,103**	**545.61**	7,192,181	378.20
Other receivables		**2,493,863**	**128.75**	2,865,169	150.67
Shareholder receivables	22a	**8,000,000**	**413.02**	20,000,000	1,051.70
Finance lease receivables - current	10	**3,621,848**	**186.99**	3,388,261	178.17
Total current assets		**115,674,477**	**5,972.03**	116,342,036	6,117.86
NON-CURRENT ASSETS					
Advances and prepayments		**426,003**	**21.99**	285,932	15.04
Estimated claim for refundable tax	14b	**4,437,539**	**229.10**	3,596,935	189.15
Fixed assets, net	8	**58,943,936**	**3,043.15**	131,056,887	6,891.64
Right-of-use assets, net	9	**81,643,503**	**4,215.08**	380,682	20.02
Intangible asset, net		**-**	**-**	-	-
Finance lease receivable - non current	10	**11,353,780**	**586.17**	15,097,666	793.91
Total non-current assets		**156,804,761**	**8,095.50**	150,418,102	7,909.75
TOTAL ASSETS		**272,479,238**	**14,067.53**	266,760,138	14,027.61
LIABILITITES & EQUITY					
CURRENT LIABILITIES					
Bank overdraft	15	**4,308,491**	**222.44**	13,363,186	702.70
Trade payables	11	**31,920,518**	**1,647.99**	20,426,255	1,074.12
Unearned revenue	12	**44,634,485**	**2,304.39**	47,272,636	2,485.84
Taxes Payable	14c	**866,000**	**44.71**	793,071	41.70
Accrued expenses and other payables	13	**41,939,276**	**2,165.24**	30,927,704	1,626.34
Leased Liabilities - current	9		**-**	291,999	15.35
Provision for warranties - current	16	**1,935,468**	**99.92**	1,660,024	87.29
Other Current liability	10	**54,808**	**2.83**	54,799	2.88
Total current liabilities		**125,659,046**	**6,487.51**	114,789,674	6,036.23
NON-CURRENT LIABILITIES					
Long-term employee benefit liabilities		**1,618,314**	**83.55**	1,122,036	59.00
Provision for warranties - non current	16	**71,223**	**3.68**	197,168	10.37
Other non-current financial liability	10	**662,246**	**34.19**	601,229	31.62
Other non-current liabilities	10	**561,629**	**29.00**	646,585	34.00
Lease liability - non current	9	**1,685,471**	**87.02**	-	-
Total non-current liabilities		**4,598,883**	**237.43**	2,567,018	134.99
TOTAL LIABILITIES		**130,257,929**	**6,724.94**	117,356,692	6,171.22
EQUITY					
Share capital					
Authorised - 354,000 shares issued and fully paid up 354,000 shares, with par value of Rp1,000,000 per share (2023: 280,000 shares issued and fully paid up - 273,000 shares, with par value of Rp1,000,000 per share)	17	**362,000,000**	**18,689.30**	354,000,000	18,615.13
Accumulated losses		**(219,778,691)**	**(11,346.71)**	(204,596,554)	(10,758.73)
TOTAL EQUITY		**142,221,309**	**7,342.59**	149,403,446	7,856.40
TOTAL LIABILITIES AND EQUITY		**272,479,238**	**14,067.53**	266,760,138	14,027.61

Exchange Rate: as at 31 March 2025 is 1 IDR = INR 0.00516
Exchange Rate: as at 31 March 2024 is 1 IDR = INR 0.00526

The accompanying notes to the financial statements form an integral part of these financial statements.

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (LOSS) FOR THE YEAR ENDED 31 MARCH 2025

	Note No	2025		2024	
		Rp'000	Rs Lakhs	Rp'000	Rs Lakhs
INCOME					
Revenue from contracts with customers	19	**185,988,125**	**9,602.18**	149,701,428	7,872.07
Other Income		**9,707,919**	**501.20**	5,923,574	311.49
		195,696,044	**10,103.38**	155,625,002	8,183.56
EXPENSES					
Cost of materials	20	**(137,224,770)**	**(7,084.63)**	(124,445,252)	(6,543.97)
(Decrease)/increase in work-in-progress and finished goods inventories	20	**500,808**	**25.86**	(2,160,287)	(113.60)
Employee benefit expenses		**(35,981,338)**	**(1,857.64)**	(31,637,286)	(1,663.65)
Depreciation and amortisation expenses		**(6,252,294)**	**(322.79)**	(5,642,442)	(296.71)
Selling and distribution expenses		**(4,068,682)**	**(210.06)**	(6,061,626)	(318.75)
Other operating expenses	21	**(29,099,041)**	**(1,502.32)**	(26,290,776)	(1,382.50)
Foreign exchange losses, net		**1,117,576**	**57.70**	(2,288,730)	(120.35)
		(211,007,741)	**(10,893.89)**	(198,526,399)	(10,439.53)
Loss before income tax		**(15,311,698)**	**(790.51)**	(42,901,397)	(2,255.98)
Income tax expense	14d		**-**	(3,500)	(0.18)
Loss for the year		**(15,311,698)**	**(790.51)**	(42,904,897)	(2,256.16)
Other comprehensive income that will be reclassified to profit or loss					
Re-measurement of post-employement benefit		**129,561**	**6.69**	(102,024)	(5.36)
Total comprehensive loss for the year		**(15,182,137)**	**(783.82)**	(43,006,921)	(2,261.52)

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2025

	Note No.	Share capital		Accumulated losses		Total	
		Rp'000	Rs Lakhs	Rp'000	Rs Lakhs	Rp'000	Rs Lakhs
Balance as at 31 March 2023	**17**	273,000,000	14,355.74	(161,589,633)	(8,497.21)	111,410,367	5,858.53
Proceed from issuance new shares		81,000,000	4,259.39	-	-	81,000,000	4,259.39
Loss for the year		-	-	(42,904,897)	(2,256.16)	(42,904,897)	(2,256.16)
Remeasurement of post-empolyment benefit		-	-	(102,024)	(5.36)	(102,024)	(5.36)
Balance as at 31 March 2024	**17**	**354,000,000**	**18,615.13**	**(204,596,554)**	**(10,758.73)**	**149,403,446**	**7,856.40**
Proceed from issuance new shares		**8,000,000**	**413.02**	**-**	**-**	**8,000,000**	**413.02**
Loss for the year		**-**	**-**	**(15,311,698)**	**(790.51)**	**(15,311,698)**	**(790.51)**
Remeasurement of post-empolyment benefit		**-**	**-**	**129,561**	**6.69**	**129,561**	**6.69**
Balance as at 31 March 2025	**17**	**362,000,000**	**18,689.30**	**(219,778,691)**	**(11,346.71)**	**142,221,309**	**7,342.59**
Balance as at 31 March 2024	**17**	**354,000,000**	**18,615.13**	**(204,596,554)**	**(10,758.73)**	**149,403,446**	**7,856.40**

The accompanying notes to the financial statements form an integral part of these financial statements.

PT THERMAX INTERNATIONAL INDONESIA

STATEMENT OF CASH FLOWS FOR THE YEAR ENDED 31 MARCH 2025

	Note No	2025		2024	
		Rp'000	Rs Lakhs	Rp'000	Rs Lakhs
Loss before income tax		**(15,311,698)**	**(790.51)**	**(42,901,397)**	(2,255.98)
Adjustments for:					
Depreciation of fixed assets	8	**4,718,998**	**243.63**	5,130,299	269.78
Allowance for impairment- losses of inventory-net	7	**(1,265,735)**	**(65.35)**	2,783,749	146.38
Interest expense		**1,344,340**	**69.41**	2,896,884	152.33
Realized foreign exchange loss		**-**	**-**	684,000	35.97
Depreciation right-of-use asset	9	**1,533,296**	**79.16**	507,576	26.69
Employee benefit liabilities		**625,839**	**32.31**	40,534	2.13
Loss on disposal of fixed assets		**-**	**-**	12,865	0.68
Amortisation of intangible assets		**-**	**-**	4,568	0.24
Allowance for impairment - of receivables-net	5	**121,513**	**6.27**	(98,131)	(5.16)
Provision for Warranties	16	**149,499**	**7.72**	(55,303)	(2.91)
Interest Income		**(15,392)**	**(0.79)**	(17,088)	-
Operating cash flows before changes in working capital		**(8,099,340)**	**(418.15)**	**(31,011,444)**	**(1,629.84)**
Changes in assets & liabilities					
Trade Receivables	5	**1,116,648**	**57.65**	(20,102,720)	(1,057.10)
Unbilled receivables		**2,389,886**	**123.38**	40,107,234	2,109.04
Advances and prepayments		**(2,045,702)**	**(105.62)**	(8,600,507)	(452.26)
Inventories	7	**1,521,967**	**78.58**	3,292,351	173.13
Prepaid Value Added Tax		**(3,375,922)**	**(174.29)**	(2,747,777)	(144.49)
Other receivables		**371,306**	**19.17**	2,865,169	150.67
Estimated claim for refundable tax	14	**257,090**	**13.27**	-	(101.60)
Trade payables	11	**11,494,263**	**593.42**	(15,839,265)	(832.91)
Unearned revfenue	12	**(2,638,152)**	**(136.20)**	(23,639,249)	(1,243.07)
Taxes payable	14	**72,929**	**3.77**	424,775	22.34
Accrued expenses and other payables		**10,773,706**	**556.22**	(6,805,488)	(357.87)
Other current liabilities		**10**	**0.00**	1	0.00
Payment of long term employee benefit liabilities		**-**	**-**	(11,302)	(0.59)
Other non-current liabilities		**(84,956)**	**(4.39)**	193,167	10.16
Refund of corporate income tax	14	**1,407,815**	**72.68**	1,058,438	55.66
Interest Income		**15,392**	**0.79**	17,088	0.90
Payments of corporate income tax		**(2,505,509)**	**(129.35)**	(1,932,030)	(101.60)
Net cash flows (used in)/ provided by operating activities		**10,671,431**	**550.94**	**(62,731,559)**	**(3,399.44)**
Cash flows from investing activities					
Net movement in finance lease receivables		**3,510,299**	**181.23**	3,388,261	178.17
Acquisition of fixed assets	8.25	**(13,625,363)**	**(703.45)**	(430,153)	(22.62)
Net cash flows from investing activities		**(10,115,064)**	**(522.22)**	**2,958,108**	**155.55**
Cash flows from financing activities					
Proceeds from shares issuance	17	**20,000,000**	**1,032.56**	61,000,000	3,207.69
Payments of loan from related party	22c	**-**	**-**	(23,277,000)	(1,224.02)
Payments of interest expense		**(1,131,151)**	**(58.40)**	(2,803,804)	(147.44)
Payments of lease liability		**(297,635)**	**(15.37)**	(549,480)	(28.89)
Net cash flows provided by/(used in) financing activities		**18,571,214**	**958.79**	**34,369,716**	**1,807.34**
Net (decrease)/increase in cash and cash equivalents		**19,127,581**	**987.52**	(25,403,735)	(1,436.56)
Cash and cash equivalents at the beginning of the period		**(12,619,657)**	**(651.53)**	12,784,078	672.25
Cash and cash equivalents at the end of the period		**6,507,924**	**335.99**	(12,619,657)	(663.61)
Cash on hand and in banks	4	**10,816,415**	**558.43**	743,529	39.10
Bank overdraft	15	**(4,308,491)**	**(222)**	(13,363,186)	(702.70)
Total		**6,507,924**	**335.99**	**(12,619,657)**	**(663.61)**

The accompanying notes to the financial statements form an integral part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS

As of March 31, 2025 and for the Year Then Ended

(Expressed in thousands of Rupiah, unless otherwise stated)

1. GENERAL

PT Thermax International Indonesia (the "Company") was established on October 22, 2014 based on Notarial Deed No. 12 dated October 1, 2014 of Jimmy Tanal, S.H., M.Kn., Notary in Jakarta. The Notarial Deed was approved by the Minister of Law and Human Rights of the Republic of Indonesia through Decision Letter No. AHU-30730.40.10.2014 dated October 22, 2014.

The Company's Articles of Association have been amended from time to time. The most recent amendment was based on Notarial Deed No. 319 dated October 15, 2024 of Jimmy Tanal, S.H., M.Kn., a Notary in Jakarta, concerning the increase in the authorised capital to become 362,000 shares, increase the issued and paid-up capital to become 362,000 shares,. The Notarial Deed has been approved by the Ministry of Law and Human Rights of Republic of Indonesia (''MOLHR'') through decision letter No. AHU-0067134.AH.01.02. Tahun 2024 dated October 21, 2024 (Note 17)

In accordance with Article 3 of the Company's Articles of Association, the main activity of the Company is the manufacturing of industrial products such as steam boilers, heaters, absorption chillers, etc and their spare parts. The Company commenced its commercial production in second quarter of financial year 2017 - 2018.

The Company's office is located at Menara Palma 9th Floor Unit 9-02B/03, Jl. H.R. Rasuna Said Blok. X Kav. 6, South Jakarta 12950 and the manufacturing plant is located at Krakatau Industrial Estate, Cilegon, Banten

As at March 31, 2025 and 2024, the Company's Commissioner and Board of Directors were as follows:

March 31, 2025

Mr. Rabindranath R. Pillai : President Director

Mr. Rajendran Arunachalam : Commissioner

Mr. Mahesh C. Bukinkere: Director

Mr. Hemant Y. Joshi : Director

Mr. Dinesh S. Mandhana : Director

March 31, 2024

Mr. Rajendran Arunachalam : Commissioner

Mr. Mahesh C. Bukinkere: Director

Mr. Hemant Y. Joshi : Director

Mr. Dinesh S. Mandhana : Director

The above Commissioner and the Board of Directors are based on Notarial Deed No. 10 by Jimmy Tanal, SH., M. Kn., dated July 01,j ; 2024, which has been acknowledged by the Ministry of Law and Human Rights through Decision Letter No.AHU-AHU-0137396.AH.01.011.Tahun 2024.

As of March 31, 2025, the Company has a total of permanent 140 employees (2024: 112) (unaudited).

The Company's parent entity is Thermax Engineering Singapore Pte. Ltd., a company incorporated in Singapore. The Company's ultimate holding company is RDA Holding Private Limited, a company incorporated in India.

The management is responsible for the preparation and presentation of the financial statements, which were completed and authorized for issuance by the Company's directors on May 9, 2025.

2. SUMMARY OF MATERIAL ACCOUNTING POLICIES INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all the periods mentioned unless otherwise stated.

a. Basis of preparation of the financial statements

The Company's financial statements have been prepared in accordance with Indonesian Financial Accounting Standards.

The financial statements have been prepared under the historical cost convention and using the accrual basis, except for the statement of cash flows.

The statements of cash flows are prepared based on the indirect method by classifying cash flows on the basis of operating, investing and financing activities. For these purposes, cash and cash equivalents are shown net of bank overdrafts.

Figures in the financial statements are rounded to and stated in thousands of Rupiah ("Rp"), unless otherwise stated. The accounting policies adopted by the Company are consistently applied for the years covered by the financial statements, except for new and revised accounting standards as disclosed in the following Note 2b.

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires the use of certain critical accounting estimates. It also requires management to exercise its judgment when applying the Company's accounting policies. The areas involving a higher degree of judgment or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3

The financial reporting period of the Company is April 1 - March 31.

b. Changes in accounting principles

Amendment of PSAK 201: Non-current Liabilities with Covenants

The amendments specify the requirements for classifying liabilities as current or non-current and clarify:

- what is meant by a right to defer settlement,
- the right to defer must exist at the end of the reporting period,
- classification is not affected by the likelihood that an entity will exercise its deferral right, and
- That if an embedded derivative in a convertible liability is considered as an equity instrument, the terms of the liability would not affect its classification as current or non-current

In addition, an entity is required to disclose when a liability, arising from a loan agreement, is classified as non-current and the Company's right to defer settlement is subject to compliance with future covenants within twelve months.

The amendments are not expected to have an impact on the Company's financial statements.

Amendment of PSAK 116: Lease liability in a Sale and Leaseback

The amendment specifies the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognise any amount of the gain or loss that relates to the right of use it retains.

The amendments are not expected to have an impact on the Company's financial statements.

Amendment of PSAK 207 and PSAK 107: Supplier Finance Arrangements

The amendments to PSAK 207 and PSAK 107 clarify the characteristics of supplier finance arrangements and require additional disclosure of such arrangements. The disclosure requirements in the amendments are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an Company's liabilities, cash flows and exposure to liquidity risk.

The amendments are not expected to have an impact on the Company's financial statements.

c. Current and non-current classification

The Company presents assets and liabilities in the statement of financial position based on current/non-current classification. An asset is current when it is:

1) expected to be realized or intended to be sold or consumed in the normal operating cycle,

2) held primarily for the purpose of trading,

3) expected to be realized within 12 months after the reporting period, or

4) cash or cash equivalent unless restricted from being exchanged or used to settle

All other assets are classified as non-current.

A liability is current when it is:

i) expected to be settled in the normal operating cycle,

ii) held primarily for the purpose of trading,

iii) due to be settled within twelve months after the reporting period, or

iv) 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 classified as non-current.

d. Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates (the "functional currency").

The financial statements are presented in Rupiah, which is the functional and presentation currency of the Company.

ii) Transactions and balances

Foreign currency transactions are translated into Rupiah using the exchange rates prevailing at the dates of the transactions. At each reporting date, monetary assets and liabilities denominated in foreign currency are translated into Rupiah using the closing exchange rate. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in profit or loss.

As at March 31, 2025 and 2024, the exchange rates used, were as follows (United States Dollars full amount):

	March 31, 2025	March 31, 2024
United States Dollars 1	**16.588**	15.853
Euro 1	**17.893**	17.161

Transactions in foreign currencies other than US Dollar and Euro are not significant.

e. Financial instrument

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.

Financial assets

The Company's financial assets at amortized cost includes cash on hand and in banks, trade receivables, unbilled receivables, shareholder receivables, other receivables, and finance lease receivables.

Initial Recognition and Measurement

At initial recognition, the Company measures a financial asset at its fair value plus transaction costs, in the case of a financial asset not at fair value through profit or loss ("FVTPL"). Trade receivables that do not contain a significant financing component, for which the Company has applied the practical expedient are measured at the transaction price determined under PSAK 115: Revenue from contracts with customers, as disclosed in Note 2l

In order for a financial asset to be classified and measured at amortized cost or FVOCI, it needs to give rise to cash flows that are 'solely payments of principal and interest ("SPPI")' on the principal amount outstanding. This assessment is referred to as the SPPI test and is performed at an instrument level.

The Company's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent Measurement

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

- Financial assets at amortized cost (debt instruments),
- Financial assets at FVOCI with recycling of cumulative gains and losses (debt instruments),
- Financial assets designated at FVOCI with no recycling of cumulative gains and losses upon derecognition (equity instruments), and
- Fair value through profit or loss (FVTPL).

The subsequent measurement of financial assets depends on their classification as described below:

Financial assets at amortized cost (debt instruments)

The Company measures financial assets at amortized cost if both of the following conditions are met:

- The financial asset is held within a business model with the objective 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 SPPI on the principal amount outstanding

Financial assets at amortized cost are subsequently measured using the effective interest ("EIR") method and are subject to impairment. Gains and losses are recognized in profit or loss when the asset is derecognized, modified or impaired.

The Company's financial assets at amortized cost includes trade receivables, unbilled receivables, other receivables, shareholder receivable, and finance lease receivables.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a Company of similar financial assets) is primarily derecognized (i.e., removed from the Company's statement of financial position) when:

- The rights to receive cash flows from the asset have expired;

  Or

- The Company has transferred its 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 under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the

asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

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

Impairment of financial assets

The Company recognizes an allowance for ECL for all debt instruments not held at FVTPL and financial guarantee contracts. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original EIR. The expected cash flows include any cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognized in two stages. When there have been significant increases in credit risks since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). But, when there have been significant increases in credit risks since initial recognition, a loss allowance is recognized for credit losses expected over the remaining life of the asset, irrespective of timing of the default (a lifetime ECL).

Because its contract assets, trade and other receivables do not contain significant financing component, the Company applies a simplified approach in calculating ECL. Therefore, the Company does not track changes in credit risk, but instead recognizes a loss allowance based on lifetime ECL at each reporting date. The Company established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment.

The Company considers a financial asset in default when contractual payments are 360 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Financial liabilities

Initial Recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade payables, accrued expenses and other payables, lease liability, provisions for warranties, other current liabilty, other non-current liability and bank overdrafts.

Subsequent Measurement

The subsequent measurement of financial liabilities depends on their classification as described below:

Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at FVTPL.

Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by PSAK 109: Financial instruments. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments.

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

Financial liabilities designated upon initial recognition at FVTPL are designated at the initial date of recognition, and only if the criteria in PSAK 109 are satisfied. The Company has not designated any financial liability as at FVTPL.

Financial liabilities at amortized cost (Loans and borrowings)

i) Long-term Interest-bearing Loans and Borrowings

Subsequent to initial recognition, long-term interest-bearing loans and borrowings are measured at amortized acquisition costs using EIR method. At the reporting dates, accrued interest is recorded separately from the associated borrowings within the current liabilities section. Gains and losses are recognized in the profit or loss when the liabilities are derecognized as well as through the EIR amortization process.

Amortized 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 amortization is included in finance costs in the profit or loss.

ii) Payables and Accruals

Liabilities for current trade and other accounts payable, accrued expenses and short-term employee benefit liability are stated at carrying amounts (notional amounts), which approximate their fair values.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in profit or loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the statement of financial position if there is a currently enforceable legal right to offset the recognized amounts and there is an intention to settle on a net basis, to realize the assets and settle the liabilities simultaneously.

f. Cash on hand and in banks

Cash on hand and cash in banks are not used as collateral or are not restricted.

For the purpose of the statement of cash flows, cash on hand and cash in banks, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

The statement of cash flows has been prepared using the indirect method by classifying cash flows on the basis of operating, investing and financing activities.

g. Inventories

Inventories are stated at the lower of cost or net realisable value. Cost is generally determined by the moving average method for raw materials. The cost of finished goods and work in progress comprises raw materials, labour and an appropriate proportion of directly attributable fixed and variable overheads.

Net realisable value is the estimate of the selling price in the ordinary course of business, less the estimated costs of completion, if any, and selling expenses.

Provision for obsolete and slow moving inventory is determined on the basis of estimated future sale of individual inventory items.

h. Fixed assets

Initial legal costs incurred to obtain land rights are recognised as part of the acquisition cost of the land, and these costs are not depreciated. The costs related to renewal of land rights are recognised as intangible assets and amortised during the period of the land rights or the land's economic life, whichever is shorter.

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes expenditures that is directly attributable to the acquisition of the assets.

Major spare parts and stand-by equipment are classified as fixed assets when they are expected to be used in operations for more than one year.

Land is not depreciated. Depreciation of other fixed assets starts when it is available for use and is calculated using the straight-line method to allocate their costs to their residual values over their estimated useful lives, as follows:

	Year
Buildings	20
Machinery	16
Computers	4
Office equipment	4
Furniture and fixtures	4-8
Tools and equipment	4
Vehicles	8

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably.

The carrying amounts of replaced parts are derecognised. All other repairs and maintenances are charged to profit or loss during the financial period in which they are incurred.

The assets' residual values, useful lives and depreciation method are reviewed and adjusted if appropriate, at the end of each reporting period.

An asset's carrying amount is written down to its recoverable amount if the asset's carrying value is greater than its estimated recoverable amount.

Net gains or losses on disposals of fixed assets are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

The accumulated costs of the construction of buildings or factories and the installation of machinery are capitalised as construction in progress. These costs are reclassified to fixed assets when the construction or installation is complete. Depreciation is charged from the date the assets are ready for use in the manner intended by Management.

i. Impairment of non-current assets

Fixed assets and intangible assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the non-current assets carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value-in-use. For the purpose of assessing impairment, non-current assets are Companyed at the lowest levels for which there are separately identifiable cash flows.

Reversal of an impairment loss for non-current assets will be recognised if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment test was carried out. Reversal of impairment losses will be immediately recognised in profit or loss.

j. Leases

The Company assesses at contract inception whether a contract is, or contains, a lease. That is, 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

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognizes lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

i) Right of use assets

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payment made at or before the commencement date, plus any initial direct cost incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset to the condition required by the terms and conditions of the lease, less any lease incentives received.

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The Company's right-of-use asset are office spaces are depreciated over the lease period which is 36 months.

If the lease transfers the ownership of the underlying asset to the Company by the end of the lease term or if the cost of the right-of-use asset reflects that the Company will exercise a purchase option, the Company depreciates the right-of-use asset from the commencement date to the end of the useful life of the underlying asset. Otherwise, the Company depreciates the right-of-use asset from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term.

ii) Lease liabilities

At the commencement date of the lease, the Company recognizes lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a

rate are recognized as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of machinery and equipment (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases of office equipment that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss and other comprehensive income due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognized over the lease term on the same basis as rental income. Contingent rents are recognized as revenue in the period in which they are earned.

k. Employment benefit liabilities

Short-term employee benefits

Short-term employee benefits are employee benefit which are due for payment within twelve months after the reporting period and recognized when the employees have rendered their service.

Long-term employee benefits

The Company made additional provision for employee benefit and other long-term employee benefit to qualified employees under Collective Labor Agreement and Government Regulation in Lieu of Law No. 2/2022 (the "Cipta Kerja Law", (UUCK)).The additional provisions are estimated through actuarial calculations using the "Projected Unit Credit" method.

Re-measurements, comprising of actuarial gains and losses, are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognized in profit or loss at the earlier between:

i) the date of the plan amendment or curtailment, and

ii) the date the Company recognizes related restructuring costs.

Net interest is calculated by applying the discount rate to the net defined benefit liability. The Company recognizes the following changes in the net defined benefit obligation under "Cost of Goods Sold" and "General and Administrative Expenses" as appropriate in the statement of profit or loss and other comprehensive income:

i) Service costs comprising current service costs, past-service costs, gains or losses on curtailments and non-routine settlements, and

ii) Net interest expense or income

l. Revenue and expense recognition

The Company adopted PSAK 115, "Revenue from Contracts with Customers", which requires revenue recognition to fulfill 5 (five) steps of assessments as follows:

1. Identify contracts with customers.

2. Identify the performance obligations in the contract. Performance obligations are promises in a contract to transfer to a customer goods or services that ate distinct.

3. Determine the transaction price, net of discounts, returns, sales incentives and value added tax, which an entity expects to be entitled in exchange for transferring the promised goods or services to a customer.

4. Allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct goods or services promises in the contract. Where these are not directly observable, the relative standalone selling price are estimated based on expected cost plus margin.

5. Recognize revenue when performance obligation is satisfied by transferring a promised goods or services to a customer (which is when the customer obtains control of that goods or services).

A performance obligation may be satisfied at the following:

- A point in time (typically for promises to transfer goods to a customer); or Over time (typically for promises to transfer services to a customer). For a performance obligation satisfied over time, the Company selects an appropriate measure of progress to determine the amount of revenue that should be recognized as the performance obligation is satisfied.

The Company recognizes project revenues over time by using the input method based on the project completion progress and cost review reports of the projects. Project revenues received in advance are presented as "Unearned revenue".

Expenses are recognised as incurred on an accrual basis.

m. Taxation

Current tax

Current income tax assets and liabilities for the current period are measured at the amount expected to be recovered from or paid to the taxation authority.

Current tax expense is determined based on the taxable profit for the year computed using the prevailing tax rates.

Underpayment/overpayment of income tax are presented as part of "Tax Expense - Current" in the statement of profit or loss. The Company presented interest/penalty, if any, as part of "Other Expense".

Amendments to taxation obligation are recorded when an assessment is received or, if appeal is applied, when the results of the appeal are received. The additional taxes and penalty imposed through Tax Assessment Letter ("SKP") are recognized as income or expense in the current period profit or loss, unless objection/appeal action is taken. The additional taxes and penalty imposed through SKP are deferred as long as they meet the asset recognition criteria.

Deferred tax

Deferred tax assets and liabilities are recognized using the liability method for the future tax consequences attributable to differences between the carrying amounts of existing assets and liabilities in the financial statements and their respective tax bases at each reporting date. Deferred tax liabilities are recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and accumulated fiscal losses to the extent that it is probable that taxable profit will be available in future years against which the deductible temporary differences and

accumulated fiscal losses can be utilized.

The carrying amount of a deferred tax asset is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or that entire deferred tax asset to be utilized. At the end of each reporting period, the Company reassesses unrecognized deferred tax assets. The Company recognizes previously unrecognized deferred tax assets to the extent that it has become probable that future taxable profit will allow the deferred tax assets to be recovered.

Deferred tax is calculated at the tax rates that have been enacted or substantively enacted at the reporting date. Changes in the carrying amount of deferred tax assets and liabilities due to a change in tax rates are charged to current period operations, except to the extent that they relate to items previously charged or credited to equity.

Deferred tax assets and liabilities are offset in the statement of financial position, consistent with the presentation of current tax assets and liabilities.

Pillar two income taxes

In response to the implementation of the Organisation for Economic Co-operation and Development ("OECD") Pillar Two framework, on December 31, 2024, Indonesian Government implemented Pillar Two framework through Ministry of Finance Regulation No. 136/2024 (PMK 136/2024). The Pillar Two model rules as implemented under PMK 136/2024 will take effect for fiscal years beginning on or after January 1, 2025. For the year ended December 31, 2024, the Company has applied amendments to PSAK 212: Income Taxes, which provide mandatory temporary exception from recognizing or disclosing deferred taxes related to Pillar Two.

Value Added Tax

Revenue, expenses and assets are recognized net of the amount of VAT except:

- Where the VAT incurred on a purchase of assets or services is not recoverable, in which case the VAT is recognized as part of the cost of acquisition of the asset or as part of the expense item as applicable; and
- Receivables and payables that are stated with the amount of VAT included.

The net amount of VAT which is claimed for restitution from, or payable to, the taxation authorities is included as part of assets or liabilities in the statement of financial position.

Final Tax

In accordance with the tax regulation in Indonesia, final tax is applied to the gross value of transactions, even when the parties carrying the transaction recognizing losses.

Final tax is scoped out from PSAK 212: Income Tax.

n. Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) where, as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources embodying economic benefits will be required to settle the obligation, the provision is reversed.

Provision for asset dismantling costs is estimated based on certain assumptions and carried at fair value based on applicable discount rates.

o. Transactions with related parties

The Company enters into transactions with related parties as defined in PSAK 224 "Related party disclosures". It is the policy of the Company that such transactions are conducted on normal commercial terms.

The transactions are made based on terms agreed by the parties, which may not be the same as those made with unrelated parties.

Significant transactions and balances with related parties are disclosed in Note 22.

All significant transactions and balances with related parties are disclosed in the notes to the financial statements.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGMENTS

The preparation of financial statements in conformity with Indonesian Financial Accounting Standards requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the reporting date and the reported amounts of revenue and expenses during the reporting period. Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of the future events that are believed to be reasonable under the circumstances.

The Company has identified the following matters under which significant judgements, estimates and assumptions are made and where actual results may differ from these estimates under different assumptions and conditions and may materially affect the financial results or financial position of the Company reported in future years.

i. Judgments

Taxes

Uncertainties exist with respect to the interpretation of complex tax regulations, changes in tax laws, and the amount and timing of future taxable income, could necessitate future adjustments to tax income and expense already recorded.

Judgment is also involved in determining the provision for corporate income tax. There are certain transactions and computation for which the ultimate tax determination is uncertain during the ordinary course of business.

Further details regarding taxation are disclosed in Note 14d.

Estimated claim for refundable tax

Based on the tax regulations currently enacted, the management judged if the amounts recorded under the above account are recoverable and refundable by the Tax Office. The carrying amount of estimated claim for refundable tax as of March 31, 2025 was Rp4,437,539 (2024: Rp3,596,935). Further explanations regarding this account are provided in Note 14b.

Lease term of contracts with renewal and termination options - the Company as lessee

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Company has lease contract that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain to exercise the option to renew or terminate the lease or not. The Company considers all relevant factors that create an economic incentive for them to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is

a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate.

Further disclosures of leases are made in Note 9.

The key assumptions concerning the future and other key sources of

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

ii. Estimation and assumptions

Useful lives of fixed assets

The costs of fixed assets, including bearer plants, are depreciated on a straight-line basis over their estimated useful lives. Management estimates the useful lives of these fixed assets to be within 4 to 20 years, which are common life expectancies applied in the industries where the Company conducts its businesses. Changes in the expected level of usage and technological development could impact the economic useful lives and the residual values of these assets, and therefore future depreciation charges could be revised.

The net carrying amount of the Company's fixed assets as of March 31, 2025 was Rp58,943,936 (2024: Rp131,056,887). Further details on fixed asset are disclosed in Note 8.

Allowance for Net Realizable Value of Inventories

Allowance for net realizable value of inventories is estimated based on the best available facts and circumstances, including but not limited to, the inventories' own physical conditions, their market selling prices, estimated costs of completion and estimated costs to be incurred for their sales. The allowance is re-evaluated and adjusted as additional information received affects the amount estimated. The carrying amount of the Company's inventories before allowance for net realizable value as of March 31, 2025 was Rp7,936,712 (2024: Rp8,192,944. Further details regarding inventories are disclosed in Note 7.

Allowance for Impairment Losses of Trade Receivables

The Company estimates impairment allowance for trade receivables using simplified approach of Expected Credit Loss (ECL). A provision matrix is used to determine ECL for trade receivables, where the provision rates are based on days past due for Companyings of various customer segments that have similar loss patterns.

The provision matrix is initially based on the customers historical observed loss rates. The Company will adjust the historical observed loss experience with forward-looking information. For instance, if forecast economic conditions closely related to the historical observed loss are expected to deteriorate over the next year which can lead to an increased number of defaults in the sectors where customers are operating, the historical losses are adjusted accordingly. At every reporting date, the historical observed loss rates are updated and changes in the forward-looking estimates are analyzed.

The assessment of the correlation between historical observed loss rates, forecast economic conditions and ECLs, is a significant estimate. The amount of ECLs is sensitive to changes in circumstances and of forecast economic conditions. The Company's historical observed loss rate and forecast of economic conditions may not be representative of customer's actual default in the future.

The carrying amount of the Company's trade receivables before allowance for impairment as of March 31, 2025 was Rp39,859,282 (2024: Rp40,975,929). Further details on trade receivables are disclosed in Note 5.

Estimating the Incremental Borrowing Rate of a Lease

The Company cannot readily determine the interest rate implicit in the lease, therefore, it uses its IBR to measure lease liabilities. The IBR is the rate of interest that the Company would have to pay to borrow over a similar term.

The IBR therefore reflects interest the Company would have to pay, which requires estimation when no observable rates are available or when they need to be adjusted to reflect the terms and conditions of the lease.

The Company estimates the IBR using observable inputs (such as market interest rates) when available and is required to make certain entity-specific estimates as necessary.

Impairment Test of Non-current Assets

Computation of future cash flows in determining the fair values of fixed assets, plantations and other non-current assets of the acquirees at the dates of acquisitions involves significant estimations. While the management believes that the assumptions are appropriate and reasonable, significant changes of those assumptions used may materially affect its assessment of recoverable values and may lead to future impairment charges under PSAK 236: Impairment of Assets.

An impairment exists when the carrying value of an asset or CGU exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The fair value less costs to sell and the value in use are estimated based on the net future cash flows discounted to their present values using a pre-tax discount rate that reflects current market assessments of the time value of money and the specific risks to the related CGU

The recoverable amount is most sensitive to the discount rate used for the discounted cash flow model as well as the expected net future cash inflows and the growth rate used for extrapolation purposes. The key inputs used to determine the recoverable amount for the CGU are further explained in Note 8.

The carrying amounts of the Company's fixed assets as of March 31, 2025 were Rp58,943,936 (2024: Rp131,056,887).

Pension and Employee Benefits

The measurement of the Company' employee benefits liability is dependent on its selection of certain assumptions used by the independent actuaries in calculating such amounts. Those assumptions include among others, discount rates, future annual salary increase, annual employee turn-over rate, disability rate, retirement age and mortality rate. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are recognized immediately in the statement of financial position with a corresponding debit or credit to retained earnings through OCI the the period in which they occur.

While the Company believes that its assumptions are reasonable and appropriate, significant differences in the Company's actual experiences or significant changes in the Company's assumptions may materially affect its estimated liabilities for pension and employee benefits and net employee benefits expense.

The net carrying amount of the Company's employee benefits liability as of March 31, 2025 was Rp1,618,314 (2024: Rp1,122,036).

4. CASH ON HAND AND IN BANKS

	March 31, 2025	March 31, 2024
Cash on hand	**10.421**	22.048
Cash in banks (Rupiah)		
PT Bank Mandiri (Persero) Tbk	**1.245.261**	721.481
Citibank N.A., Indonesia	**1.105.945**	-
PT Bank Negara Indonesia (Persero) Tbk	**8.454.788**	-
Sub-total cash in banks	**10.805.994**	721.481
Total cash on hand and in banks	**10.805.994**	743.529

5. TRADE RECEIVABLES

	March 31, 2025	March 31, 2024
Related parties (Note 22a)	**39.829.034**	40.947.021
Third parties	**30.248**	28.908
	39.859.282	40.975.929
Allowance for impairment losses of receivables	**(1.174.702)**	(1.053.189)
	38.684.580	39.922.740

Movements in the allowance for impairment of receivables for the year ended March 31, 2025 and 2024 is as follows:

	March 31, 2025	March 31, 2024
Beginning balance	**1.053.189**	1.151.320
Addition/(reversal) during the year	**121.513**	(98.131)
Ending balance	**1.174.702**	1.053.189

Based on a review of trade receivables at end of year, management believes that the allowance for impairment as of March 31, 2025 and 2025 is adequate to cover possible losses or uncollectible accounts.

The aging analysis of these trade receivable is as follows:

	March 31, 2025	March 31, 2024
Current and not impaired	**6.640.743**	4.272.291
Overdue but not impaired		
0 - 30 days	**24.183.017**	30.000.852
31 - 60 days	**1.431.986**	1.622.985
> 61 days	**6.428.834**	4.026.612
Overdue and impaired	**1.174.702**	1.053.189
Total	**39.859.282**	40.975.929

In determining the recovery of trade receivables, the Company considers any changes in the credit quality of trade receivables from the initial date the loans are granted to the end of the reporting period. Credit risk concentration is limited to large and unrelated customers.

6. UNBILLED RECEIVABLES

Unbilled receivables represent portion of revenue which has been recognized in accordance with the progress of the projects in exchange for goods or services transferred to the customers, but have not been invoiced in accordance with the working contract with customers.

7. INVENTORIES

	March 31, 2025	March 31, 2024
Raw materials	**10.092.378**	12.611.948
Goods in transit	**1.013.361**	516.567
Work-in-progress	**917.796**	492.901
Finished goods	**349.025**	273.111
	12.372.560	13.894.527
Allowance for impairment losses of inventory	**(4.435.848)**	(5.701.583)
Total	**7.936.712**	8.192.944

Movements in the allowance for impairment losses of inventories for the year ended March 31, 2025 and 2024 is as follows:

	March 31, 2025	March 31, 2024
Beginning balance	**5.701.583**	2.917.834
Addition/(Reversal) of allowance	**(1.265.735)**	2.783.749
Total	**4.435.848**	5.701.583

Management believes that the allowance for impairment losses of inventories is adequate to cover possible losses of the inventories.

Inventories are insured against all possible losses, with the insurance coverage amounting to Rp14,269,044.

8. FIXED ASSETS

	March 31, 2025				
	Beginning balance	Additions	Disposals	Transfers	Ending balance
Acquisition costs					
Land	81.257.182	-	-	(81.257.182)	-
Buildings	51.005.104	-	-	-	51.005.104
Machinery	26.484.027	-	(737.070)	-	25.746.957
Furniture and fixtures	2.345.222	88.400	-	-	2.433.622
Computers	1.404.986	153.613	-	-	1.558.599
Office equipment	292.886	11.027	-	-	303.913
Tools and equipment	1.580.326	-	-	-	1.580.326
Vehicles	622.000	-	-	-	622.000
Construction in progress	-	13.610.189	-	-	13.610.189
	164.991.733	13.863.229	(737.070)	(81.257.182)	96.860.710
Accumulated depreciation					
Buildings	(18.265.743)	(2.550.255)	-	-	(20.815.998)
Machinery	(10.837.428)	(1.609.185)	(737.070)	-	(11.709.543)
Furniture and fixtures	(1.844.000)	(204.142)	-	-	(2.048.142)
Computers	(1.021.790)	(166.741)	-	-	(1.188.531)
Office equipment	(287.862)	(3.342)	-	-	(291.204)
Tools and equipment	(1.263.362)	(107.583)	-	-	(1.370.945)
Vehicles	(414.661)	(77.750)	-	-	(492.411)
	(33.934.846)	(4.718.998)	737.070	-	(37.916.774)
Net book value	**131.056.887**				**58.943.936**

	March 31, 2024				
	Beginning balance	Additions	Disposals	Transfers	Ending balance
Acquisition costs					
Land	81.257.182	-	-	-	81.257.182
Buildings	51.005.104	-	-	-	51.005.104
Machinery	26.222.869	280.158	(19.000)	-	26.484.027
Furniture and fixtures	2.345.222	-	-	-	2.345.222
Computers	1.189.934	215.052	-	-	1.404.986
Office equipment	289.236	3.650	-	-	292.886
Tools and equipment	1.422.254	158.072	-	-	1.580.326
Vehicles	622.000	-	-	-	622.000
	164.991.733	656.932	(19.000)	-	164.991.733
Accumulated depreciation					
Buildings	(15.715.488)	(2.550.255)	-	-	(18.265.743)
Machinery	(8.786.509)	(2.057.054)	6.135	-	(10.837.428)
Furniture and fixtures	(1.647.374)	(196.626)	-	-	(1.844.000)
Computers	(894.099)	(127.691)	-	-	(1.021.790)
Office equipment	(285.985)	(1.877)	-	-	(287.862)
Tools and equipment	(1.144.316)	(119.046)	-	-	(1.263.362)
Vehicles	(336.911)	(77.750)	-	-	(414.661)
	(28.810.682)	(5.130.299)	6.135	-	(33.934.846)
Net book value	**135.543.119**				**131.056.887**

On March 31, 2024, the Company recorded a loss on the disposal of machinery amounted to Rp12,865. The disposal of this machinery was carried out because the asset was considered to be in a completely damaged condition

Fixed assets are insured against fire and others risks with a total coverage of Rp87,000,000. Management believes that the insurance coverage can cover losses on the insured fixed assets.

9. RIGHT-OF-USE ASSET AND LEASE LIABILITIES

The Company as Lessee

The Company has lease contracts for building used in its operations. The Company is restricted from assigning and subleasing the leased assets.

Lease of building has terms of 3 years.

Land with "Hak Guna Bangunan" title ("Building Use Title" or "HGB") over "Hak Pengelolaan" ("HPL") has a remaining useful life up to 2046. Management believes that the right can be extended.

Set out below are the carrying amounts of right-of-use assets recognized on the Company's statement of financial position and the movements during the current year:

	March 31, 2025	March 31, 2024
Beginning balance	**2.480.400**	2.480.400
Addition	**1.538.935**	-
Transfer	**81.257.182**	-
Ending balance	**85.276.517**	2.480.400
Accumulated depreciation:		
Beginning balance	**(2.099.718)**	(1.592.142)
Addition	**(1.533.296)**	(507.576)
Ending balance	**(3.633.014)**	(2.099.718)
Net book value	**81.643.503**	380.682

Movement of lease liabilities:

	March 31, 2025	March 31, 2024
Beginning balance	**291.999**	803.924
Addition of interest	**152.172**	37.555
Addition	**1.538.935**	-
Payments	**(297.635)**	(549.480)
Sub-total	**1.685.471**	291.999
Less current portion	*	291.999
Long-term portion	**1.685.471**	-

Amounts recognized in the statement of profit or loss and other comprehensive income:

	March 31, 2025	March 31, 2024
Depreciation expense of right-of-use asset	**1.533.296**	507.576
Interest expense on lease liabilities	**152.172**	37.555
Amount recognized in profit and loss statement	**1.685.468**	545.131

The Company had total cash outflows for leases of Rp297,635 and Rp549,480 including interest expenses of finance lease amounting to Rp152,172 and Rp37,555 for the year ended March 31, 2025 and 2024, respectively.

10. Lease

The Company as Lessor

The Company has entered into steam supply agreement with PT Unilever Oleochemical Indonesia ("UOI") which fulfilled the criterias as finance lease.

This agreement has lease term of 7 years with option for extension agreed by both parties.

The critical terms of the UOI project are as follows:

The critical terms of the UOI project are as follows:

- The Company shall deliver or procure the delivery of boiler to site and complete installation and commissioning.
- The Company shall operate the boiler and supply of steam produced by the boiler. The lease period is 7 years which start from the commencement date and can be renewed by mutual agreement of both parties. The commencement date is April 1, 2022 and the effective date of the contract was October 1, 2022. If the Company wants to terminate the lease before the end of the lease, the Company shall obligate to pay the exit fee as mentioned in the contract.
- The minimum off-take of 3,132 ton/month of steam will be supplied by the Company with price at Rp207/Kg for consumption within 3,132 ton/month and Rp7/Kg after consumption above 3,132 ton/month and UOI shall pay invoice within 30 days calendar after the Company issued invoice for steam produced for UOI on a fortnightly basis on the 1st and 16th day of each calendar month. UOI has a right to request the Company to supply more than minimum offtake for its operation.
- UOI has paid Rp975,000 as deposit at the time of signing agreement.
- The present value of lease payments is substantially covering the fair value of the underlying asset.

Movement of lease receivables:

	March 31, 2025	March 31, 2024
Gross investment in finance lease contract - net	**18.485.927**	21.874.187
Less payment of receivables	**(3.510.299)**	(3.388.260)
Sub-total	**14.975.628**	18.485.927
Less current portion	**(3.621.848)**	(3.388.261)
Non-current portion	**11.353.780**	15.097.666

Based on a review of finance lease receivables at end of year, management believes that no impairment allowance is necessary as of March 31, 2025 and 2024

As of the balance sheet date, the present value of future minimum lease payment receivables under non-cancellable finance lease contract as at March 31, 2025 relating to steam boiler are as follows:

Gross investment in finance lease contract:

	March 31, 2025	March 31, 2024
Within one year	**4.982.710**	5.190.149
After one year but no more than five years	**13.428.440**	18.411.149
Sub-total	**18.411.150**	23.601.298
Less unearned finance income	**(3.435.522)**	(5.115.371)
Present value of minimum lease payment receivable	**14.975.628**	18.485.927

Present value of future minimum lease payment:

	March 31, 2025	March 31, 2024
Within one year	**4.982.710**	5.376.007
After one year but no more than five years	**11.353.780**	15.097.666
Sub-total	**16.336.490**	20.473.673
Less unearned finance income	**(1.360.862)**	(1.987.746)
Present value of minimum lease payment receivable	**14.975.628**	18.485.927

The details of other liabilities and other financial liability relating to lease are as follows:

	March 31, 2025	March 31, 2024
Other current liability:		
Advance lease rental - current portion	**54.808**	54.799
Other non-current liabilities:		
Advance lease rental - non-current portion	**167.623**	223.168
Provision for maintenance*	**394.006**	423.417
Sub-total	**561.629**	646.585
Other non-current financial liability:		
Customer advance	**662.246**	601.229
Total	**1.278.683**	1.302.613

*Includes balance of accrual for maintenance warranty of leased equipment built at the customer's premises under the steam supply agreement with UOI.

11. TRADE PAYABLES

	March 31, 2025	March 31, 2024
Related parties (Note 22a)	**23.384.878**	12.708.679
Third parties :		
PT Fajar Mas Murni	**1.428.587**	-
PT Alam Jaya Batubara Indah	**618.322**	137.550
Venkateshwara Automation & Controls Pvt. Ltd.	**544.485**	-
PT Citra Karsa Dinamika	**519.277**	874.028
PT Semicon Internusa	**-**	552.729
IPT Energi Maju Semesta	**-**	508.934
Others (below 500 Million)	**5.424.969**	5.644.335
Total	**31.920.518**	20.426.255

Refer to Note 22 for details of related party transactions

12. UNEARNED REVENUE

	March 31, 2025	March 31, 2024
PT Mayora Indah Tbk	**18.645.963**	23.340.000
PT Sheel Oil Indonesia	**5.399.180**	9.220.425
PT Cheil Jedang Indonesia	**3.946.033**	7
PT Prima Tangki Indonesia	**3.669.418**	-
PT Tanimas Resources	**3.424.843**	-
PT Hanjaya Mandala Sampoerna Tbk	**1.806.918**	919.07
PT Inno Wangsa Oils & Fats	**1.408.919**	-
Sinflon Engineering Sdn. Bhd.	**1.399.843**	186.468
PT Tirta Fresindo Jaya	**1.134.152**	5.888.095
PT Dellifood Sentosa Corpindo	**-**	1.500.000
Green Recycling Pte. Ltd.	**-**	1.359.012
Nhat Tam Equipment and Accessories Co., Ltd.		1.148.700
Others (below Rp1 Billion)	**3.799.216**	3.710.859
Total	**44.634.485**	47.272.636

This account represents advances, which are received from customers and contract liabilities.

13. ACCRUED EXPENSES AND OTHER PAYABLES

	March 31, 2025	March 31, 2024
Operational	**36.330.718**	26.376.184
Professional fees	**3.248.530**	3.293.512
Purchases of fixed assets (Note 25)	**464.644**	
Others	**1.895.384**	1.031.230
Total	**41.939.276**	30.927.704

14. TAXATION

a. Prepaid taxes

	March 31, 2025	March 31, 2024
Current portion:		
Value Added Tax (''VAT'')	**10.568.103**	7.192.181

The balance of prepaid VAT (current portion) representing input VAT mainly comes from capital goods acquisition and business activities.

b. Estimated claim for refundable tax

	March 31, 2025	March 31, 2024
Corporate income tax - 2024	**2.505.509**	-
Corporate income tax - 2023	**1.932.030**	1.932.030
Corporate income tax - 2022	**-**	1.664.905
Total	**4.437.539**	3.596.935

c. Taxes payable

	March 31, 2025	March 31, 2024
Income tax Article 21	**749.203**	717.402
Income tax Article 23	**69.107**	49.351
Income tax Article 4(2)	**46.032**	26.318
Income tax Article 26	**1.658**	-
Total	**866.000**	793.071

d. Income tax expense

For the year ended March 31, 2025 and 2024, the Company did not recognise any deferred income tax expenses.

The reconciliation between income tax expense and the theoretical tax amount on the Company's loss before income tax is as follows:

	March 31, 2025	March 31, 2024
Loss before corporate income tax	**(15.311.698)**	(42.901.397)
Add/(less):		
Temporary differences:		
Long-term employee benefit liabilities	**625.839**	40.534
Depreciation of fixed assets	**96.492**	511.044
Depreciation of right-of-use asset	**1.533.296**	268.158
Allowance for impairment losses of receivables	**121.513**	(98.131)
Allowance for impairment losses of inventory	**1.265.735**	(2.783.749)
Provision for warranties	**149.499**	(55.303)
Permanent differences:		
Non-deductible expenses	**2.954.908**	3.131.346
Income subject to final tax	**(15.392)**	(332.088)
Estimated taxable loss of the Company	**(8.579.808)**	(42.219.586)
Tax loss carried forward from previous year	**(66.861.356)**	(45.580.609)
Estimated accumulated tax losses carried forward	**(75.441.164)**	(87.800.195)
Income tax paid:		
Prepaid corporate income tax - Article 22	**(1.891.402)**	(1.493.674)
Prepaid corporate income tax - Article 23	**(614.107)**	(438.356)
Estimated claim for refundable tax	**(2.505.509)**	(1.932.030)

The details of the accumulated tax losses carried forward balance that can be compensated are as follows:

	March 31, 2025	March 31, 2024
Year 2020	**-**	17.666.144
Year 2021	**11.818.588**	11.818.588
Year 2022	**12.823.182**	12.823.182
Year 2023	**42.219.586**	42.219.586
Year 2024	**8.579.808**	-
	75.441.164	84.527.500

The amount of fiscal loss is based on preliminary calculations. The amounts may be adjusted when annual tax returns are submitted to/ assessed by the tax office.

The reconciliations between income tax expense as shown in the statement of profit or loss and other comprehensive income and income tax expense calculated using prevailing tax rates on the loss before income tax is as follows:

	March 31, 2025	March 31, 2024
Loss before corporate income tax	**(15.311.698)**	(42.901.397)
Tax calculated at statutory rate of 22%	**(3.368.573)**	(9.438.307)
Non-deductible expenses	**646.693**	615.837
Unrecognized deferred tax assets	**2.721.880**	8.822.470
Under provision for prior year corporate income tax (Note 14f)	**-**	3.500
Corporate income tax expenses	**-**	3.500

The Company has not recognised any deferred tax assets from tax losses carried- forward, depreciation of fixed assets, depreciation of right-of-use asset, allowance for impairment losses of receivables, allowance for impairment losses of inventory, long-term employee benefit liabilities and provision for warranties totaling to Rp19,697,433 as the ability of the Company to generate sufficient taxable profit will depend on when the Company can maintain sustainable and optimal capacity of commercial production. As such, the Company believes it is more prudent not to recognise any deferred tax assets.

e. Tax administration in Indonesia

The taxation laws of Indonesia require that companies within Indonesia to submit individual tax returns on the basis of self-assessment. Under the prevailing regulations, the DGT may assess or amend taxes within five years of the time the tax becomes due.

f. Others

In November 2023 the Company received tax assessment letters of Value Added Tax for period April to November 2019 reflecting underpayment totaling to Rp480,644 (including penalties of Rp205,990). The Company accepted the result of the tax assessments, paid the principal amount and submit letter to DGT for waiveoff penalty.

On July 27, 2023, the Company received a tax assessment from the Directorate General of Taxes (DJP) regarding an overpayment of Corporate Income Tax for the year 2021 amounting to Rp1,058,438, compared to the claimed overpayment of Corporate Income Tax of Rp1,061,938 submitted by the Company. On the same date, the Company also received tax assessment for VAT, Income Tax Article 21, Article 23, and Article 26 for the period of March 2022, indicating an underpayment of Rp141,035. The Company accepted these tax decrees and received a refund of Rp917,403 on August 16, 2023, after deducting the underpayment, and recorded an unrefundable amount of Rp3,500 as a provision for Corporate Income Tax in the current year's profit or loss.

On July 26, 2024, the Company received a tax assessment letter from the Directorate General of Taxes (DJP) approving the overpayment of Corporate Income Tax for the year 2022 amounting to IDR 1,664,905, as submitted by the Company. On the same date, the Company also received underpayment assessment letters (SKPKB) for VAT for the periods of April 2022 and November 2019, indicating an underpayment of Rp221,440, and SKPKB VAT Goods and Service for the Utilization of Services from Outside the Customs Area for June 2022 amounting to Rp35,650. The Company agreed with the tax assessments and received a refund of Rp1,407,815 on August 14, 2024, after deducting the underpayment assessments.

g. Pillar two income taxes

Various countries have enacted or intend to enact tax legislation to comply with Pillar Two model rules, including Indonesia (Note 2m). The Company is within the scope of PMK 136/2024, which did not impact 2024 financial statements but may impact the Company financial statements from January 1, 2025 onward.

PMK 136/2024 applies new taxing mechanisms under which a Multinational Enterprises ("MNE") would pay a top-up tax in a jurisdiction whenever the efective tax rate, determined on a jurisdictional basis under the Pillar Two rules is below a 15% minimum rate. PMK 136/2024 sets out the mechanics for determining which entity (or entities) in an MNE Group should apply the top-up tax and the portion of such tax that is charged to each relevant entity.

For the year ended December 31, 2024, the Company has applied amendment to PSAK 212: Income Taxes, which provides mandatory temporary exception from recognizing or disclosing deferred taxes related to Pillar Two rules such that there is no impact to the 2024 financial statements. The future impact of Pillar Two rules for the Company is still being estimated.

The Pillar Two model rules are complex and the Company is still in the process of assessing potential impact to the financial statements, if any. Based on currently available information, the Company does not expect any material impact to the financial statements.

15. BANK LOAN

Credit and bank facilities from Citibank N.A.

On November 29, 2017, the Company entered into a term-loan facility agreement with Citibank N.A. with total facility amounted to US$2.5 million and applicable interest rate of Jakarta Interbank Offered Rate plus certain margin. In addition, on September 8, 2017, Thermax Limited, an indirect holding entity of the Company, acting as a guarantor for the Company and guarantee any bank facilities issued for the Company with a total amount of US$5 million. The credit and bank facilities are available for the period starting from the Agreement date until 1 year after the Agreement is signed, and will be automatically extended continuously for the next 1 year period from the end date of the Agreement.

	March 31, 2025	March 31, 2024
Bank Overdrafts:		
Indonesian Rupiah	**4.308.491**	60.644
United States Dollar	**-**	13.302.542
Total bank overdrafts	**4.308.491**	13.363.186

As of March 31, 2025, the Company has utilised the bank facilities as follows:

- Amounted to Rp17,876,459 (2024: Rp30,673,062) for performance guarantee bond for certain customer.
- Amounted to US$260,049 (equivalent to Rp4,308,491) (2024: US$839,118 or equivalent to Rp13,363,186) for overdrafts. During 2025, the bank facilities was subject to interest at the rate of Jibor + 2.5% per annum. During 2025, the effective interest rate was at the rate of 9.40% (2024: 9.14%) per annum.

As of March 31, 2025, the Company does not utilise the short-term bank loan facility.

16. PROVISION FOR WARRANTIES

	March 31, 2025	**March 31, 2024**
Current portion	**1.935.468**	**1.660.024**
Non-current portion	**71.223**	**197.168**
Total provision for warranties	**2.006.691**	**1.857.192**

Provision for warranties provided by the Company to customers in connection with sales of products/projects contracts.

17. SHARE CAPITAL

The shareholders compositions as at 31 March 2025 and 2024 were as follows:

	March 31, 2025		
Shareholders	**Number of shares**	**Percentage of ownership**	**Issued and paid-up**
Thermax Engineering Singapore Pte. Ltd.	361.990	99,99%	361.990.000
Thermax International Limited	10	0,01%	10.000
Total	**362.000**	**100%**	**362.000.000**

Shareholders	March 31, 2024		
	Number of shares	Percentage of ownership	Issued and paid-up
Thermax Engineering Singapore Pte. Ltd.	353.990	99,99%	353.990.000
Thermax International Limited	10	0,01%	10.000
Total	354.000	100%	354.000.000

On March 5, 2024, the Company increased another additional paid-in capital amounted Rp20,000,000 from Thermax Engineering Singapore Pte. whose funds already received by the Company as of March 31, 2025 but have been acknowledged in accordance with the Notary Deed No. 40 of Jimmy Tanal S.H., M.Kn dated March 5, 2024 which has been approved by Ministry of Laws and Human Rights in its letter No. AHU-0015866.AH.01.02 Tahun 2024

In accordance with Notarial Deed No. 319 of Jimmy Tanal S.H., M.Kn dated Ocober 15, 2024, which has been approved by Ministry of Laws and Human Rights in its letter No. AHU-0067134.AH.01.02 Tahun 2024 dated October 21, 2024, the Shareholders increased the Company's authorized and paid-up share capital. Additional paid-in capital, in accordance with the Notarial Deed, which is the increase in paid-in capital on October 15, 2024 whose funds have not yet received by the Company as of March 31, 2025 and was taken by Thermax Engineering Singapore Pte. Ltd. in the amount of Rp8,000,000 (Note 25).

18. GENERAL RESERVE

Limited Liability Company Law No.40/2007 requires Indonesian companies to set up a statutory reserve amounting to a minimum of 20% of the Company's issued and paid-up share capital. There is no set period of time over which this amount should be accumulated. As at March 31, 2025, the Company had not yet established a general reserve as the Company was still in an accumulated losses position.

19. REVENUE FROM CONTRACTS WITH CUSTOMERS

	March 31, 2025	March 31, 2024
Sales of products/projects:		
Over time	**129.833.077**	108.953.776
Point in time	**47.925.222**	37.220.977
Sales of services	**8.229.826**	3.526.675
	185.988.125	149.701.428

20. COST OF GOODS SOLD RECONCILIATION

	March 31, 2025	March 31, 2024
Raw materials		
At the beginning of the year -	**7.426.932**	11.342.745
Purchases -	**136.467.729**	120.529.439
	143.894.661	131.872.184
At the end of the year -	**(6.669.891)**	(7.426.932
Raw materials used	**137.224.770**	124.445.252
Direct labour and manufacturing overhead	**3.313.525**	4.508.404
Allocated depreciation expense	**1.420.082**	1.932.173
Total production cost	**141.958.377**	130.885.829
Work in progress		
At the beginning of the year -	**492.901**	1.093.892
At the end of the year -	**(917.795)**	(492.901)
	(424.894)	600.991
Total cost of goods manufactured	**141.533.483**	131.486.820
Finished goods		
At the beginning of the year -	**273.111**	1.832.407
At the end of the year -	**(349.025)**	(273.111)
	(75.914)	1.559.296
Total cost of goods sold	**141.457.569**	133.046.116

21. OTHER OPERATING EXPENSES

	March 31, 2025	March 31, 2024
Travelling and conveyance	**5.097.374**	4.686.811
Consumables	**2.948.698**	2.705.064
Legal and professional fees	**2.726.728**	2.962.394
Repairs and maintenance	**2.131.551**	1.858.357
Labour	**1.704.273**	1.579.970
Sales commissions	**1.451.244**	1.126.324
Interest	**1.329.482**	2.896.884
Advertising and exhibitions	**1.209.028**	808.735
Security charges	**1.168.732**	1.147.691
Utilities	**921.594**	811.467
Insurance	**640.04**	621.448
Rent and service charges	**410.512**	132.713
Communication	**388.189**	413.834
Others	**6.971.596**	4.539.084
Total	**29.099.041**	26.290.776

22. RELATED PARTY TRANSACTIONS

The nature of relationships and transactions with related parties are as follows:

Related parties	Relationship	Nature of transaction
Thermax Limited	Holding Company of Thermax Engineering Singapore Pte. Ltd.	Purchases of raw material, Sales of finished goods and services Expenses reimbursement Other operating income
Thermax Babcock & Wilcox Energy Solutions Pvt. Ltd.	Under common control entity	Other operating income
Thermax Onsite Energy Solutions Limited	Under common control entity	Other operating income
Thermax Engineering Singapore Pte. Ltd.	Shareholder	Payment of sharecapital and shareholder receivable

a. Balances with related parties

	March 31, 2025	March 31, 2024
Trade receivables: (Note 5)		
Thermax Limited	**30.248**	28.908
Other receivables :		
Thermax Limited	**2.092.073**	2.683.506
Thermax Babcook & Wilcox Energy Solutions Pvt. Ltd	**163.475**	156.231
Thermax Onsite Energy Solutions Ltd.	**76.985**	-
Total	**2.332.533**	2.839.737

Shareholder receivable

As of March 31, 2025, the receivable represents additional paid-in capital amounted Rp8,000,000 from Thermax Engineering Singapore Pte. Ltd. which has not been settled up to March 31, 2025 (Note 17).

	March 31, 2025	March 31, 2024
Advances:		
Thermax Limited	**853.354**	116.834
Trade payables : (Note 11)		
Thermax Limited	**23.384.878**	12.708.679
Accrued expense:		
Thermax Limited	**1.013.361**	4.058.435
Thermax Inc.	**-**	13.031
Total	**1.013.361**	4.071.466

b. Transactions with related parties

	March 31, 2025	March 31, 2024
Other operating income:		
Thermax Limited	**7.520.585**	3.305.316
Thermax Onsite Energy Solutions Limited	**75.008**	-
Thermax Babcock & Wilcox Energy Solutions Pvt. Ltd.	**-**	153.009
Sales of services		
Thermax Limited	**-**	32.666
Sales of finished goods		
Total	**7.595.593**	3.490.991

The sales of finished goods are based on cost plus certain margin agreed by both parties.

	March 31, 2025	March 31, 2024
Purchases of raw materials:		
Thermax Limited	**28.129.536**	19.352.225

The purchases of raw materials are based on cost plus certain margin agreed by both parties.

	March 31, 2025	March 31, 2024
Expenses reimbursement:		
Thermax Limited	**2.082.732**	2.716.776
Loan interest:		
Thermax Inc.	**-**	360.987
Total	**2.082.732**	3.077.763

The expenses being reimbursed are based on actual costs occurred plus certain margin agreed by both parties.

c. Key management personnel compensation

Key management personnel includes Directors and a Commissioner. Key management personnel includes Directors and a Commissioner. In 2025, the compensation for key management recorded in the financial statements amounted to Rp2,059,777 (2024: Rp3,616,089) only for the President Director of the Company. The compensation for the Company's Commissioner and other Directors were paid directly by Thermax Limited.

23. FINANCIAL ASSETS AND FINANCIAL LIABILITIES

As at March 31, 2025, the Company's financial assets which comprised cash on hand and cash in banks, trade receivables, unbilled receivables, shareholder receivables, finance lease receivables and other receivables with a total balance of Rp97,906,836 (2024: Rp108,343,602) were categorised as loans and receivables.

As at March 31, 2025, the Company's financial liabilities which comprised trade payables, and accrued expenses and other payables, other current liability, other non current liabilities, bank overdraft, provision, and lease liabilities with a total balance of Rp83,139,130 (2024: Rp68,168,949) were categorised as other financial liabilities at amortised cost.

24. FINANCIAL RISK MANAGEMENT

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Company's financial performance.

Risk management is carried out by the Company's Board of Directors. The Board of Directors provides principles for overall risk management, including market, credit and liquidity risks.

a. Market risk

i) Foreign exchange risk

The Company is exposed to foreign exchange risk arising from cash in banks, trade receivables and trade payables denominated in foreign currency.

As at March 31, 2025, if the United States Dollars had strengthened/ weakened by 10% against the Indonesian Rupiah with all other variables held constant, post-tax loss for the period would have been Rp1,630,752 (2024: Rp3,097,941) lower/higher.

ii) Interest rate risk

The Company is not significantly exposed to interest rate risk since there are no significant interest bearing financial assets and liabilities. The Company's operating cash flows are substantially independent of changes in market interest rates.

b. Credit risk

As at March 31, 2025, the total maximum exposure from credit risk amounted Rp97,906,836 (2024: Rp108,343,602). The credit risk primarily arises from cash on hand and cash in banks, trade receivables, unbilled receivables, finance lease receivables, shareholder receivables and other receivables.

The Company manages credit risk exposure from its deposits with banks by placing them at banks with strong reputation and market position and limiting the aggregate risk from any individual counter-party.

In respect of credit given to customers, the Company has clear policies on selection of customers, legally binding agreements in place for sales of products and services transactions rendered and historically no collectibility issue.

The credit quality of trade and other receivables that are overdue but not impaired can be assessed with reference to historical information about counterparty collectibility issue as follows:

	March 31, 2025	March 31, 2024
Trade and other receivables:		
Related parties	**39.829.034**	40.947.021
Reputable or without recent history of collectibility issue	**30.248**	28.908
	39.859.282	40.975.929

c. Liquidity risk

Liquidity risk arises in situations in which the Company has difficulties obtaining the necessary resources to fulfil its financial obligations. Prudent liquidity risk management implies maintaining sufficient cash and cash equivalents. The Company manages liquidity risk by continuously monitoring forecast and actual cash flows and matching the maturity profiles of financial assets and liabilities.

The table below summarizes the maturity profile of the Company's financial liabilities, based on contractual payments.

March 31, 2025	Maturity within 1 year	Maturity more than 1 year	Total
Bank overdraft	4.308.491	-	4.308.491
Trade payables	31.920.518	-	31.920.518
Accrued expenses and other payables	41.939.276	-	41.939.276
Lease liabilities	-	1.685.471	1.685.471
Provision for warranties	1.935.468	71.223	2.006.691
Other current liability	54.808	-	54.808
Other non-current financial liability	-	662.246	662.246
Other non-current liabilities	-	561.629	561.629
Total	**80.158.561**	**2.980.569**	**83.139.130**

March 31, 2024	Maturity within 1 year	Maturity more than 1 year	Total
Bank overdraft	13.363.186	-	13.363.186
Trade payables	20.426.255	-	20.426.255
Accrued expenses and other payables	30.927.704	-	30.927.704
Lease liabilities	291.999	-	291.999
Provision for warranties	1.660.024	197.168	1.857.192
Other current liability	54.799	-	54.799
Other non-current financial liability	-	601.229	601.229
Other non-current liabilities	-	646.585	646.585
Total	**66.723.967**	**1.444.982**	**68.168.949**

d. Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

The Company actively and regularly reviews and manages its capital structure and shareholders returns, taking into consideration the future capital requirements and capital efficiency of the Company, prevailing and projected profitability, projected operating cash flow, projected capital expenditures, and projected strategic investment opportunities. In order to maintain or adjust the capital structure, the Company may adjust the amounts of dividends paid to shareholders, issue new shares or sell assets to reduce debt.

e. Fair value of financial instruments

Management in the opinion that the carrying value of its financial assets and liabilities approximate the fair value of the financial assets and liabilities as at March 31, 2025. The fair value of trade payables, accrued expenses, bank overdraft, and other payables approximate their carrying value because of their short term maturity.

25. NON CASH TRANSACTIONS

	March 31, 2025	March 31, 2024
Investing activities		
Issuance of new share (Note 17)	**8.000.000**	20.000.000
Acquisition of right-of-use assets through lease liabilities	**1.538.935**	-
Acquisition of fixed assets through accrued expenses, including accrued interest (Note 13)	**464.644**	226.778

26. SUPPLEMENTARY CASH FLOW INFORMATION

Changes in liabilities arising from financing activities in the cash flow statement are as follows:

	Balance April 1, 2024	Cash flow out	Cash flow in	Others	Balance March 31, 2025
Shareholder receivable	20.000.000	-	(20.000.000)	8.000.000	8.000.000
Lease liabilities	291.999	(297.635)	-	1.691.107	1.685.471
Shareholder receivable	-	-	-	20.000.000	20.000.000
Lease liabilities	803.924	(549.480)	-	37.555	291.999
Loan from related party					
- current	22.593.000	(23.277.000)	-	684.000	-

27. BUSINESS CONDITION AND MANAGEMENT PLAN

The Company incurred net loss of (Rp15,311,698) for the year then ended March 31, 2025, accumulated deficit of (Rp219,778,691) and capital deficiency of (Rp142,221,309) as of March 31, 2025, respectively. In addition, the Company's current liabilities exceeded its current assets by Rp9,984,569 as of March 31, 2025.

In response to these conditions, the management of the Company plans to implement the following measures:

a. Market reach expansion

b. Cost Optimization

c. Increasing shop utilization

Thermax Limited, the Company's shareholder, acting as a guarantor for the Company and guarantee any bank facilities issued for the Company with a total amount of US$5 million.

28. ACCOUNTING STANDARDS ISSUED BUT NOT YET EFFECTIVE

The accounting standards that have been issued up to the date of issuance of the Company's consolidated financial statements, but not yet effective are disclosed below. The management intends to adopt these standards that are considered relevant to the Company when they become effective, and the impact to the consolidated financial position and performance of the Company is still being estimated.

Effective beginning on or after January 1, 2025

Amendment of PSAK 221: Lack of Exchangeability

The amendments require disclosure of information that enables users of financial statements to understand the impact of a currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows. The amendments apply for annual reporting periods beginning on or after 1 January 2025. Earlier application is permitted which an entity is required to disclose that fact.

The Company is currently assessing the impact of the amendment on the Company's financial reporting.

THERMAX ENGINEERING SINGAPORE PTE. LTD.

Board of Directors	Registered Office	Auditors	Bankers
Rajendran Arunachalam Corliss Ha Ling-Ling Pheroz Naswanjee Pudumjee Mahesh Channakeshaviah Bukinkere	80, Robinson road, #25-00, Singapore- 068898	Paul Wan Co. 10 Anson Road, #35-07/08, International Plaza, Singapore 079903	Citi Bank, Singapore

Directors' Statement

The directors present their statement to the member together with the audited financial statements of Thermax Engineering Singapore Pte. Ltd. (the "Company") for the financial year ended 31 March 2025.

1. Opinion of the directors

In the opinion of the directors,

(a) the financial statements of the Company are drawn up so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and the financial performance, changes in equity and cash flows of the Company for the financial year ended; and

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due.

2. Directors

The directors of the Company in office at the date of this statement are:

Corliss Ha Ling-Ling
Pheroz Naswanjee Pudumjee
Rajendran Arunachalam
Mahesh Channakeshaviah Bukinkere

3. Arrangements to enable directors to acquire shares or debentures

Neither at the end of nor at any time during the financial year was the Company a party to any arrangement whose objects are, or one of whose objects is, to enable the directors of the Company to acquire benefits by means of the acquisition of shares in, or debentures of, the Company or any other body corporate.

4. Directors' interests in shares or debentures

According to the register of directors' shareholdings kept by the Company under Section 164 of the Singapore Companies Act 1967 (the "Act"), the directors of the Company who held office at the end of the financial year had no interest in the shares or debentures of the Company or its related corporations, except as stated below:

Name of directors	Direct interest	
	At beginning of financial year	At end of financial year
Pheroz Naswanjee Pudumjee		
-Thermax Limited	6,000	6,000
-Ara Trusteeship Company Pvt.Ltd	500	500
-Thermax Engineering Construction Company Ltd.	10	10
-Thermax Cooling Solutions Limited	1	1
-Thermax Onsite Energy Solutions Ltd.	1	1
-Thermax Instrumentation Ltd.	1	1
Rajendran Arunachalam		
-Thermax Limited	877	1718

5. Share options

There were no share options granted during the financial year to subscribe for unissued shares of the Company.

There were no shares issued during the financial year by virtue of the exercise of options to take up unissued shares of the Company.

There were no unissued shares of the Company under option at the end of the financial year.

6. Independent auditor

The independent auditor, Paul Wan & Co has expressed its willingness to accept re-appointment as auditor.

On behalf of the Board of Directors

Rajendran Arunachalam
Director

Mahesh Channakeshaviah Bukinkere
Director

Date : 06 May 2025

Independent Auditor's Report to the Member of Thermax Engineering Singapore Pte. Ltd.

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thermax Engineering Singapore Pte. Ltd. (the "Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the accompanying financial statements are properly drawn up in accordance with the provisions of the Singapore Companies Act 1967 (the "Act") and Financial Reporting Standards in Singapore ("FRSs") so as to give a true and fair view of the financial position of the Company as at 31 March 2025 and of the financial performance, changes in equity and cash flows of the Company for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with Singapore Standards on Auditing ("SSAs"). 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 Accounting and Corporate Regulatory Authority ("ACRA") Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities ("ACRA Code") together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

Management is responsible for the other information. The other information comprises the Directors' Statement.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Directors for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the provisions of the Act and FRSs, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorised use or disposition; and transactions are properly authorised and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

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.

The directors' responsibilities include 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 SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism 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 the effectiveness of the Company's internal control.
- 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 the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

In our opinion, the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

PAUL WAN & CO

Public Accountants and

Chartered Accountants

Singapore

Date : 06 May 2025

THERMAX ENGINEERING SINGAPORE PTE. LTD.

Statement of Profit or Loss and Other Comprehensive Income
For the Financial Year Ended 31 March 2025

	NOTE	For the financial year ended 31 March 2025		For the financial year ended 31 March 2024	
		USD	**Rs Lacs**	USD	Rs Lacs
Revenue		**-**	**-**	-	-
Cost of Sales		**-**	**-**	-	-
Gross Profit		**-**	**-**	-	-
Other Operating income		**58,045**	**49.61**	19,910	16.60
Administrative Expenses		**(54,955)**	**(46.97)**	(80,391)	(67.05)
Finance cost		**-**	**-**	-	-
Other expenses	4	**(592)**	**(0.51)**	(4,90,224)	(408.85)
		2,498	**2.14**	(5,50,705)	(459.29)
- Impairment loss on investment in subsidiaries		**-**	**-**	(77,35,385)	(6,451.31)
Loss Before tax	5	**2,498**	**2.14**	(82,86,090)	(6,910.60)
Income tax expenses		**-**	**-**	-	-
Loss for the financial year, representing total comprehensive loss for the financial year		**2,498**	**2.14**	(82,86,090)	(6,910.60)

Exchange Rate : as at 31 March 2025 is 1 USD = Rs 85.47
Exchange Rate : as at 31 March 2024 is 1 USD = Rs 83.40

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

Statement of Financial Position
For the Financial year ended 31 March 2025

	NOTE	2025		2024	
		USD	**Rs Lacs**	USD	Rs Lacs
ASSETS					
Non-current assets					
Investments in a subsidiaries	7	**1,46,22,385**	**12,497.75**	1,02,82,663	8,575.74
Financial Asset, at FVOCI	8	**1**	**0.00**	1	0.00
		1,46,22,386	**12,497.75**	1,02,82,664	8,575.74
Current assets					
Trade and other receivables	9	**7,423**	**6.34**	2,976	2.48
Cash & cash equivalents	10	**7,45,157**	**636.89**	4,57,441	381.51
		7,52,580	**643.23**	4,60,417	383.99
Total assets		**1,53,74,966**	**13,140.98**	1,07,43,081	8,959.73
EQUITY AND LIABILITIES					
Equity					
Share capital	11	**3,21,04,356**	**27,439.59**	2,74,84,356	22,921.95
Accumulated losses		**(1,68,38,476)**	**(14,391.85)**	(1,68,40,974)	(14,045.37)
		1,52,65,880	**13,047.75**	1,06,43,382	8,876.58
Current liabilities					
Trade and Other payables	12	**1,09,086**	**93.24**	99,699	83.15
		1,09,086	**93.24**	99,699	83.15
Total Equity and Liabilities		**1,53,74,966**	**13,140.98**	1,07,43,081	8,959.73

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

Statement of Changes in Equity For the Financial year ended 31 March 2025

2025	Share Capital		Retained earnings		Total Equity	
	USD	Rs Lacs	USD	Rs Lacs	USD	Rs Lacs
Beginning of financial year	**2,74,84,356**	**22,921.95**	**(1,68,40,974)**	**(14,045.37)**	**1,06,43,382**	**8,876.58**
Shares issued during the year	**46,20,000**	**3,948.71**	**-**	**-**	**46,20,000**	**3,948.71**
Loss for the year, representing total comprehensive loss for the year	**-**	**-**	**2,498**	**2.14**	**2,498**	**2.14**
End of financial year	**3,21,04,356**	**27,439.59**	**(1,68,38,476)**	**(14,391.85)**	**1,52,65,880**	**13,047.75**

2024	Share Capital		Retained earnings		Total Equity	
	USD	Rs Lacs	USD	Rs Lacs	USD	Rs Lacs
Beginning of financial year	2,39,84,356	20,002.95	(85,54,884)	(7,134.77)	1,54,29,472	12,868.18
Shares issued during the year	35,00,000	2,919.00	-	-	35,00,000	2,919.00
Loss for the year, representing total comprehensive loss for the year	-	-	(82,86,090)	(6,910.60)	(82,86,090)	(6,910.60)
End of financial year	2,74,84,356	22,921.95	(1,68,40,974)	(14,045.37)	1,06,43,382	8,876.58

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

Statement of Cash Flow For the Financial year ended 31 March 2025

	Notes	For the financial year ended 31 March 2025		For the financial year ended 31 March 20243	
		USD	Rs Lacs	USD	Rs Lacs
Cash flow from operating activities					
Loss after tax		**2,498**	**2.14**	(82,86,090)	(6,910.60)
Adjustments for:					
-Impairment Loss on investment in subsidiaries	7	**-**	**-**	77,35,385	6,451.31
-Interest Income		**(41,491)**	**(35.46)**	19,910	16.60
-(Reversal) of /Provision for Impairment loss on trade receivables	9	**(16,552)**	**(14.15)**	52,645	43.91
-Loss on disposal of investment in subsidiaries		**-**	**-**	4,71,635	393.34
		(55,545)	**(47.47)**	(6,515)	(5.43)
Changes in working capital:					
- Trade and other receivables		**12,105**	**10.35**	4,197	3.50
- Trade and other payables		**9,387**	**8.02**	(13,284)	(11.08)
Operating profit after working capital changes		**(34,053)**	**(29.11)**	(15,602)	(13.01)
Income Tax Paid		**-**	**-**	-	-
Net cash used in operating activities		**(34,053)**	**(29.11)**	(15,602)	(13.01)
Cash flows from investing activities					
Interest received		**41,491**	**35.46**	(19,910)	(16.60)
Proceed of Property, plant & equipment		**-**	**-**	-	-
Investments in subsidiaries	7	**(43,39,722)**	**(3,709.16)**	(39,61,039)	(3,303.51)
Proceed of investment in subsidiaries		**-**	**-**	5,28,365	440.66
Net cash (used in)/generated from investing activities		**(42,98,231)**	**(3,673.70)**	(34,52,584)	(2,879.46)
Cash flows from financing activities					
Principal repayment of lease liability		**-**	**-**	-	-
Proceeds from issuance of ordinary shares	11	**46,20,000**	**3,948.71**	35,00,000	2,919.00
Net cash generated from financing activity		**46,20,000**	**3,948.71**	35,00,000	2,919.00
Net change in cash and cash equivalents		**2,87,716**	**245.91**	31,814	26.53
Cash at the beginning of the year		**4,57,441**	**381.51**	4,25,627	354.97
Cash and cash equivalents at end of the year	10	**7,45,157**	**627.42**	4,57,441	381.51

THERMAX ENGINEERING SINGAPORE PTE. LTD.

NOTES TO THE FINANCIAL STATEMENTS
For the Financial year ended 31 March 2025

These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

1. Corporate information

Thermax Engineering Singapore Pte. Ltd. (the "Company") is incorporated in Singapore with its registered office and principal place of business is located at 80 Robinson Road, #25-00, Singapore 068898.

The principal activity of the Company is that of an investment holding company and trading of industrial machinery and equipment to customers.

The immediate holding company is Thermax Limited, a company incorporated in India.

The financial statements of the Company for the year ended 31 March 2025 were authorised for issue in accordance with a resolution of the directors on the date of the Directors' Statement.

2. Material accounting policy information

2.1 Basis of preparation

The financial statements of the Company have been drawn up in accordance with Financial Reporting Standards in Singapore ("FRSs"). The financial statements have been prepared on the historical cost basis except as disclosed in the accounting policies below.

The financial statements are presented in United States dollars ("US$"), which is the Company's functional currency.

The financial statements of the Company have been prepared on the basis that it will continue to operate as a going concern.

2.2 Adoption of new and amended standards and interpretations

The accounting policies adopted are consistent with those of the previous financial year except that in the current financial year, the Company has adopted all the new and amended standards which are relevant to the Company and are effective for annual financial periods beginning on or after 1 April 2024.The adoption of these standards did not have any material effect on the financial performance or position of the Company.

2.3 Standards issued but not yet effective

A number of new standards and amendments to standard that have been issued are not yet effective and have not been applied in preparing these financial statements.

The directors expect that the adoption of the standards above will have no material impact on the financial statements in the year of initial application.

2.4 Exemption from preparing consolidated financial statements

These financial statements are the separate financial statements of the Company. The Company is exempted from the preparation of consolidated financial statements as the Company is a wholly-owned subsidiary of Thermax Limited, which produces consolidated financial statements available for public use. The registered office of Thermax Limited where those consolidated financial statements can be obtained is as follows: D-13, MIDC Industrial Area, R D Aga Road, Chinchwad, Pune 411019, India.

2.5 Foreign currency transactions and balances

Transactions in foreign currencies are measured in the functional currency of the Company and are recorded on initial recognition in the functional currency at exchange rates approximating those ruling at the transaction dates. Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the reporting date. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions.

Exchange differences arising on the settlement of monetary items or on translating monetary items at the end of the reporting period are recognised in profit or loss.

2.6 Subsidiaries

Subsidiaries are entities over which the Company has control. The Company controls an entity when the Company is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

Investment in subsidiaries is carried at cost less accumulated impairment losses in the Company's statement of financial position.

2.7 Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, (or, where applicable, when an annual impairment testing for an asset is required), the Company makes an estimate of the asset's recoverable amount.

An asset's recoverable amount is the higher of an asset's or cash-generating unit's fair value less costs of disposal and its value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

Impairment losses are recognised in profit or loss.

A previously recognised impairment loss is reversed only if there has been a change in the estimates used to determine the asset's recoverable amount since the last impairment loss was recognised. If that is the case, the carrying amount of the asset is increased to its recoverable amount. That increase cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised previously. Such reversal is recognised in profit or loss.

2.8 Financial instruments

Financial assets

Initial recognition and measurement

Financial assets are recognised when, and only when the entity becomes party to the contractual provisions of the instruments.

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss ("FVPL"), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVPL are expensed in profit or loss.

Trade receivables are measured at the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third party, if the trade receivables do not contain a significant financing component at initial recognition.

Subsequent measurement

Debt instruments

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the contractual cash flow characteristics of the asset. The three measurement categories for classification of debt instruments are amortised cost, fair value through other comprehensive income ("FVOCI") and FVPL.

Financial assets that are held for the collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Financial assets are measured at amortised cost using the effective interest method, less impairment. Gains and losses are recognised in profit or loss when the assets are derecognised or impaired, and through the amortisation process.

Equity instruments

On initial recognition of an investment in equity instrument that is not held for trading, the Company may irrevocably elect to present subsequent

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changes in fair value in other comprehensive income which will not be reclassified subsequently to profit or loss. Dividends from such investments are to be recognised in profit or loss when the Company's right to receive payments is established. For investments in equity instruments which the Company has not elected to present subsequent changes in fair value in other comprehensive income, changes in fair value are recognised in profit or loss.

Derecognition

A financial asset is derecognised where the contractual right to receive cash flows from the asset has expired. On derecognition of a financial asset in its entirety, the difference between the carrying amount and the sum of the consideration received and any cumulative gain or loss that had been recognised in other comprehensive income for debt instruments is recognised in profit or loss.

Financial liabilities

Initial recognition and measurement

Financial liabilities are recognised when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. The Company determines the classification of its financial liabilities at initial recognition.

All financial liabilities are recognised initially at fair value plus in the case of financial liabilities not at FVPL, directly attributable transaction costs.

Subsequent measurement

After initial recognition, financial liabilities that are not carried at FVPL are subsequently measured at amortised cost using the effective interest method. Gains and losses are recognised in profit or loss when the liabilities are derecognised, and through the amortisation process.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. On derecognition, the difference between the carrying amounts and the consideration paid is recognised in profit or loss.

Offsetting of financial instruments

A financial asset and a financial liability shall be offset and the net amount presented in the statement of financial position when, and only when, an entity:

(a) currently has a legally enforceable right to set off the recognised amounts; and

(b) intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.9 Impairment of financial assets

The Company recognises an allowance for expected credit losses ("ECLs") for all debt instruments not held at FVPL. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

ECLs are recognised in two stages. For credit exposures for which there has not been a significant increase in credit risk since initial recognition, ECLs are provided for credit losses that result from default events that are possible within the next 12-months (a 12-month ECL). For those credit exposures for which there has been a significant increase in credit risk since initial recognition, a loss allowance is recognised for credit losses expected over the remaining life of the exposure, irrespective of timing of the default (a lifetime ECL).

For trade receivables, the Company applies a simplified approach in calculating ECLs. Therefore, the Company does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Company has established a provision matrix that is based on its historical credit loss experience, adjusted for forward-looking factors specific to the debtors and the economic environment which could affect debtors' ability to pay.

The Company considers a financial asset in default when contractual payments are 360 days past due. However, in certain cases, the Company may also consider a financial asset to be in default when internal or external information indicates that the Company is unlikely to receive the outstanding contractual amounts in full before taking into account any credit enhancements held by the Company. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

2.10 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and bank deposit, which are subject to an insignificant risk of changes in value.

2.11 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and the amount of the obligation can be estimated reliably.

Provisions are reviewed at the end of each reporting period and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of economic resources will be required to settle the obligation, the provision is reversed. If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, where appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

2.12 Employee benefits

Defined contribution plan

The Company makes contributions to the Central Provident Fund scheme in Singapore, a defined contribution pension scheme. Contributions to defined contribution pension schemes are recognised as an expense in the period in which the related service is performed.

Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Company has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee, and the obligation can be estimated reliably.

2.13 Revenue

Revenue is measured based on the consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.

Revenue is recognised when the Company satisfies a performance obligation by transferring a promised good or service to the customer, which is when the customer obtains control of the good or service. A performance obligation may be satisfied at a point in time or over time. The amount of revenue recognised is the amount allocated to the satisfied performance obligation.

Revenue from sales of goods

The Company is involved in selling of industrial machinery and equipment to customers. Revenue from sales of these products is recognised at a point in time when the products are delivered to customers. There is no element of significant financing component in the Company's revenue transaction as customers are required to pay within credit term of 30 to 90 days.

2.14 Taxes

Current income tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authority. 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 taxes are recognised in profit or loss except to the extent that the tax relates to items recognised outside profit or loss, either in other comprehensive income or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

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

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 rate (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

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

Goods and Service Tax ("GST")

Revenues, expenses and assets are recognised net of the amount of sales tax except:

(i) where the sales tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case the sales tax is recognised as part of the cost of acquisition of the asset or as part of the expense item as applicable; and

(ii) receivables and payables that are stated with the amount of sales tax included.

The net amount of sales tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the statement of financial position.

2.15 Share capital

Proceeds from issuance of ordinary shares are recognised as share capital in equity. Incremental costs directly attributable to the issuance of ordinary shares are deducted against share capital.

2.16 Related parties

A related party is defined as follows:

(a) A person or a close member of that person's family is related to the Company if that person:

(i) has control or joint control over the Company;

(ii) has significant influence over the Company; or

(iii) is a member of the key management personnel of the Company or of a parent of the Company.

(b) An entity is related to the Company if any of the following conditions applies:

(i) the entity and the Company are members of the same group (which means that each parent, subsidiary and fellow subsidiary is related to the others).

(ii) one entity is an associate or joint venture of the other entity (or an associate or joint venture of a member of a group of which the other entity is a member).

(iii) both entities are joint ventures of the same third party.

(iv) one entity is a joint venture of a third entity and the other entity is an associate of the third entity.

(v) the entity is a post-employment benefit plan for the benefit of employees of either the Company or an entity related to the Company. If the Company is itself such a plan, the sponsoring employers are also related to the Company.

(vi) the entity is controlled or jointly controlled by a person identified in (a).

(vii) a person identified in (a) (i) has significant influence over the entity or is a member of the key management personnel of the entity (or of a parent of the entity).

(viii) the entity, or any member of a group of which it is a part, provides key management personnel services to the Company or to the parent of the Company.

3. Significant accounting judgements and estimates

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the disclosure of contingent liabilities at the end of each reporting period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in the future periods.

3.1 Judgments made in applying accounting policies

Management is of the opinion that there are no significant judgements (other than those involving estimates as disclosed in Note 3.2 below) that have a significant effect on the amounts recognised in the financial statements.

3.2 Key sources of estimation uncertainty

The key assumptions concerning the future and other key sources of estimation uncertainty at the end of the reporting period are discussed below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Impairment of investment in subsidiaries

The Company follows the guidance of FRS 36 Impairment of Assets on determining whether investment in subsidiaries is impaired. This determination requires significant judgement and estimate. The Company evaluates, among other factors, the duration and extent to which the fair value of an investment is less than its cost and the financial health of the near-term business outlook for the investment, including factors such as industry and sector performance, changes in technology and operational and financing cash flow.

The carrying amount of the Company's investment in a subsidiary as at 31 March 2025 was US$14,622,385 (2024: US$10,282,663).

4. Other expenses

	2025	2024
	US$	US$
Foreign exchange difference, net	**592**	1,273
Loss on disposal of investment in a subsidiary	**-**	471,635
Capital gain tax paid in Sri Lanka	**-**	17,316
	592	490,224

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5. Profit/(Loss) before tax

	2025	2024
	US$	US$
Commission expenses	**24,000**	-
Interest income	**(41,491)**	(19,910)
(Reversal of)/Provision for impairment loss on trade receivables	**(16,552)**	52,645

The Directors of the company are considered key management personnel of the company and they did not receive any remuneration from the Company during the financial year.

6. Income tax expense

The major components of income tax expense recognised in profit or loss for the years ended 31 March 2025 and 2024 were:

	2025	2024
	US$	US$
Current income tax		
- current year	**-**	-

Relationship between accounting loss and tax expense

A reconciliation between tax expense and the product of accounting loss multiplied by the applicable corporate tax rate for the financial years ended 31 March 2025 and 2024 were as follows:

	2025	2024
	US$	US$
Loss before tax	**2,498**	(8,286,090)
Tax at the applicable tax rate of 17% (2024 : 17%)	**425**	(1,408,635)
Expenses not deductible for income tax purpose	**-**	1,315,015
Income not subject to tax	**-**	-
Deferred tax assets not recognised	**-**	-
Deferred tax assets disregarded	**-**	97,005
Utilisation of deferred tax assets previously not recognised	**(425)**	(3,385)
Income tax expense	**-**	-

As at 31 March 2025, the Company has unutilised tax losses amounting to approximately US$281,000 (2024: US$283,000), which are available for offset against future taxable profits, subject to agreement by the tax authorities in the Singapore. The tax losses have no expiry date.

Deferred tax assets have not been recognised as there is no certainty that there will be sufficient future taxable profits to realise these future benefits. Accordingly, the deferred tax assets have not been recognised in the financial statements.

7. Investment in a subsidiaries

	2025	2024
	US$	US$
Unquoted shares, at cost		
At the beginning of the financial year	**25,642,663**	22,681,624
Addition	**4,339,722**	3,961,039
Disposals	**-**	(1,000,000)
	29,982,385	25,642,663
Less: Allowance for impairment losses	**(15,360,000)**	(15,360,000)
At the end of the financial year	**14,622,385**	10,282,663

The movement in allowance for impairment losses of investment in subsidiaries was as follows:

	2025	2024
	US$	US$
At 1 April	**15,360,000**	7,624,615
Addition	**-**	8,200,000
Disposals	**-**	(464,615)
At 31 March	**15,360,000**	15,360,000

The details of the subsidiaries at are as follow:

Name of Subsidiary (Country of incorporation)	Principal activities	Proportion of equity held by the Company	
		2025 %	2024 %
PT Thermax International Indonesia (Indonesia)	Manufacture of component parts	**99.99**	99.99
Thermax Energy & Environment Philippines Corporation (Philippines)*	Marketing and sales of component parts	**100**	100
Thermax Energy & Environment Lanka (Private) Limited (Sri Lanka)	Marketing and sales of component parts	**-**	-
Thermax Sdn Bhd (Malaysia)	Marketing and sales of component parts	**100**	100
Thermax (Thailand) Limited	Marketing and sales of component parts	**99.99**	99.99

*100% beneficial owner of Thermax Energy & Environment Philippines Corporation is Thermax Engineering Pte. Ltd. 5 individual are holding 1 share each in trust for beneficial owner to fulfil the local law requirement to have minimum 5 natural persons as members.

At 5 September 2023, the Company sold all 15,330,000 ordinary shares of Thermax Energy & Environment Lanka to a related party with a net proceed of USD528,365.

8. Financial assets, at FVOCI

	2025	2024
	US$	US$
At beginning and end of financial year	**1**	1

Name of Subsidiary (Country of incorporation)	Principal activities	Proportion of equity held by the Company	
		2025 %	2024 %
Thermax Nigeria Limited	Marketing and sales of component parts	**0.0004**	0.0004

9. Trade and other receivables

	2025	2024
	US$	US$
Trade receivables		
- third parties	**79,932**	96,482
Less: Allowance for expected credit losses	**(79,930)**	(96,482)
	2	-
Other receivables		
Interest receivables	**-**	1,836
Prepayments	**7,421**	1,140
	7,421	2,976
Total trade and other receivables	**7,423**	2,976

Trade receivables are unsecured, non-interest bearing and generally on 30 to 90 (2024: 30 to 90) days' credit terms.

The movement in allowance for expected credit losses of trade receivables computed based on lifetime ECL was as follows:

	2025	2024
	US$	US$
Balance at beginning of year	**96,482**	43,837
Provision during the year	**-**	52,645
Reversal during the year	**(16,552)**	-
Balance at end of year	**79,930**	96,482

The currency profile of the Company's trade and other receivables as at the end of the reporting period are as follows:

	2025	2024
	US$	US$
United States Dollar	**2**	1,836
Singapore dollar	**7,421**	1,140
	7,423	2,976

10. Cash and cash equivalents

	2025	2024
	US$	US$
Cash at banks	**241,282**	157,441
Fixed deposit	**503,875**	300,000
	745,157	457,441

Short-term fixed deposit bears interest at 3.80% (2024: 4.79%).

Included in cash at banks is an amount denominated in SGD amounted to US$7,882 (2024: US$7,839).

11. Share capital

	2025	2024	**2025**	2024
	Number of ordinary shares	Number of ordinary shares	**US$**	US$
Issued and paid-up capital				
At beginning of the financial year	**27,484,356**	23,984,356	**27,484,356**	23,984,356
Issuance of new shares	**4,620,000**	3,500,000	**4,620,000**	3,500,000
At end of financial year	**32,104,356**	27,484,356	**32,104,356**	27,484,356

The holder of ordinary shares are entitled to receive dividends as and when declared by the Company.

On 4 April 2024 and 1 October 2024, the Company issues total 4,620,000 ordinary shares for a total consideration of USD 4,620,000 for cash to provide funds for general working capital purposes.

12. Trade and other payables

	2025	2024
	US$	US$
Trade payables		
- holding company	**96,349**	87,543
Other payables		
Accruals	**12,737**	12,156
	109,086	99,699

Trade payables are unsecured, non-interest bearing and normally settled within 30 (2024: 30) days' credit terms.

The non-trade amount due to holding company are unsecured, non-interest bearing and repayable on demand. This amount has been fully settled in 2025.

The currency profile of the Company's trade and other payables as at the end of the reporting period are as follows:

	2025	2024
	US$	US$
United States dollar	**96,349**	87,543
Singapore dollar	**12,737**	12,156
	109,086	99,699

13. Significant related party transactions

In addition to the related party information disclosed elsewhere in the financial statements, the following transactions with related parties took place at terms agreed between the parties during the financial year:

	2025	2024
	US$	US$
Holding company		
Management fees charged	**24,000**	-

Compensation of key management personnel

Key management personnel are those persons having the authority and responsibility for planning, directing and controlling the activities of the Company, directly or indirectly, including any director (whether executive or otherwise) of the Company.

The Directors of the company are considered key management personnel of the company and they did not receive any remuneration from the Company during the financial year.

14. Financial risk management

The Company's activities expose it to a variety of financial risks from its operations. The key financial risks include credit risk and liquidity risk. The Company considered currency risk as not a key financial risk due to the insignificance of the quantum.

The directors review and agree policies and procedures for the management of these risks, which are executed by the management team. It is, and has been throughout the current and previous financial year, the Company's policy that no trading in derivatives for speculative purposes shall be undertaken.

The following sections provide details regarding the Company's exposure to the above-mentioned financial risks and the objectives, policies and processes for the management of these risks.

There has been no change to the Company's exposure to these financial risks or the manner in which it manages and measures the risks.

Credit risk

Credit risk refers to the risk that the counterparty will default on its contractual obligations resulting in a loss to the Company. The Company's exposure to credit risk arises primarily from trade and other receivables. For other financial assets (including cash), the Company minimises credit risk by dealing exclusively with high credit rating counterparties.

The Company has adopted a policy of only dealing with creditworthy counterparties. The Company performs ongoing credit evaluation of its counterparties' financial condition and generally do not require a collateral.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis throughout each reporting period.

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The Company has determined the default event on a financial asset to be when internal and/or external information indicates that the financial asset is unlikely to be received, which could include default of contractual payments due for more than 360 days, default of interest due for more than 30 days or there is significant difficulty of the counterparty.

To minimise credit risk, the Company has developed and maintained the Company's credit risk gradings to categorise exposures according to their degree of risk of default. The credit rating information is supplied by publicly available financial information and the Company's own trading records to rate its major customers and other debtors. The Company considers available reasonable and supportive forward-looking information which includes the following indicators:

- Internal credit rating
- External credit rating
- Actual or expected significant adverse changes in business, financial or economic conditions that are expected to cause a significant change to the debtor's ability to meet its obligations
- Actual or expected significant changes in the operating results of the debtor
- Significant increases in credit risk on other financial instruments of the same debtor
- Significant changes in the expected performance and behaviour of the debtor, including changes in the payment status of debtors in the group and changes in the operating results of the debtor.

Regardless of the analysis above, a significant increase in credit risk is presumed if a debtor is more than 30 days past due in making contractual payment.

The Company determined that its financial assets are credit-impaired when:

- There is significant difficulty of the debtor
- A breach of contract, such as a default or past due event
- It is becoming probable that the debtor will enter bankruptcy or other financial reorganisation
- There is a disappearance of an active market for that financial asset because of financial difficulty

The Company categorises a receivable for potential write-off when a debtor fails to make contractual payments more than 2 years past due. Financial assets are written off when there is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.

The Company's current credit risk grading framework comprises the following categories:

Category	Definition of category	Basis for recognition of expected credit losses (ECL)
I	Counterparty has a low risk of default and does not have any past-due amounts.	12-month ECL
II	Amount is >30 days past due or there has been a significant increase in credit risk since initial recognition.	Lifetime ECL – not credit-impaired
III	Amount is >360 days past due or there is evidence indicating the asset is credit-impaired (in default).	Lifetime ECL – credit-impaired
IV	There is evidence indicating that the debtor is in severe financial difficulty and the debtor has no realistic prospect of recovery.	Amount is written off

The table below details the credit quality of the Company's financial assets, as well as maximum exposure to credit risk by credit risk rating categories:

	Category	12-month or lifetime ECL	Gross carrying amount	Loss allowance	Net carrying amount
			US$	US$	US$
31 March 2025					
Trade receivables	**Note I**	**Lifetime ECL (simplified)**	**79,932**	**(79,932)**	**2**
Other receivables			**-**	**-**	**-**
				-	
31 March 2024					
Trade receivables	Note I	Lifetime ECL (simplified)	96,482	(96,482)	-
Other receivables			1,836	-	1,836
				-	

* Other receivables excluded the amount of prepayments

Trade receivables (Note 1)

For trade receivables, the Company has applied the simplified approach in FRS 109 to measure the loss allowance at lifetime ECL. The Company determines the ECL by using a provision matrix, estimated based on historical credit loss experience based on the past due status of the debtors, adjusted as appropriate to reflect current conditions and estimates of future economic conditions. Accordingly, the credit risk profile of trade receivables is presented based on their past due status in terms of the provision matrix.

		Days past due				
	Not past due	1 to 30	31 to 60	61 to 90	91 and above	Total
	US$	US$	US$	US$	US$	US$
31 March 2025						
Trade receivables	**2**	**-**	**-**	**-**	**79,930**	**79,932**
ECL	**-**	**-**	**-**	**-**	**(79,930)**	**(79,930)**
	2	**-**	**-**	**-**	**-**	**2**
31 March 2024						
Trade receivables	-	-	-	-	96,482	96,482
ECL	-	-	-	-	(96,482)	(96,482)
	-	-	-	-	-	-

Excessive risk concentration

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

Exposure to credit risk

The Company does not have any significant credit risk exposure to any single counterparty or any group of counterparties having similar characteristics except for outstanding trade receivables from 1 (2024: 1) customers which represent 99% (2024: 91%) of total trade receivables balance as at 31 March 2025.

Other receivables and amount due from holding company

The Company assessed the latest performance and financial position of the counterparties, adjusted for the future outlook of the industry in which the counterparties operate in, and concluded that there has been

no significant increase in the credit risk since the initial recognition of the financial assets. Accordingly, the Company measured the impairment loss allowance using 12-month ECL and determined that the ECL is insignificant.

Liquidity risk

Liquidity risk refers to the risk that the Company will encounter difficulties in meeting its short-term obligations due to shortage of funds. The Company's exposure to liquidity risk arises primarily from mismatches of the maturities of financial assets and liabilities. It is managed by matching the payment and receipt cycles. The Company finances its working capital requirements through a combination of funds generated from operations and financing from holding company, if necessary. The directors are satisfied that funds are available to finance the operations of the Company.

Analysis of financial liabilities by remaining contractual maturities

The table below summarises the maturity profile of the Company's financial liabilities at the reporting date based on contractual undiscounted repayment obligations.

	Less than 1 year	Between 1 and 5 years	Total
	US$	US$	US$
31 March 2025			
Trade and other payables	**36,740**	**72,349**	**109,089**
	36,740	**72,349**	**109,089**
31 March 2024			
Trade and other payables	12,156	87,543	99,699
	12,156	87,543	99,699

15. Financial instruments by category

At the reporting date, the aggregate carrying amounts of financial assets and financial liabilities at amortised cost were as follows:

	2025	2024
	US$	US$
Financial assets measured at amortised cost		
Trade and other receivables (Note 9)	**-**	1,836
Cash and cash equivalents (Note 10)	**745,157**	457,441
Total financial assets measured at amortised cost	**745,157**	459,277
Financial assets measured at FVOCI		
Financial assets, at FVOCI (Note 8)	**1**	1
Financial liabilities measured at amortised cost		
Trade and other payables (Note 12)	**109,086**	99,699
Total financial liabilities measured at amortised cost	**109,086**	99,699

18. Fair value of financial instruments

Fair value hierarchy

The Company categorises fair value measurements using a fair value hierarchy that is dependent on the valuation inputs used as follows:

Level 1 – Quoted prices (unadjusted) in active market for identical assets or liabilities that the Company can access at the measurement date,

Level 2 – Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly or indirectly, and

Level 3 – Unobservable inputs for the asset or liability

Fair value measurements that use inputs of different hierarchy levels are categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

Assets measured at fair value

The following table shows an analysis of each class of assets measured at fair value at the reporting date:

	Fair value measurements at the reporting date using			
	Quoted prices in active markets for identical instruments (Level 1)	Significant observable inputs other than quoted prices (Level 2)	Significant unobservable inputs (Level 3)	Total
	US$	US$	US$	US$
31 March 2025				
Financial assets				
At FVOCI – non-listed equity instruments (Note 8)	-	-	1	1
31 March 2024				
Financial assets				
At FVOCI – non-listed equity instruments (Note 8)	-	-	1	1

The fair value of the financial assets, at FVOCI representing the investments, which are classified as Level 3 as management is able to obtain the observable data directly from the fund manager, such as financial statements on a yearly basis for the identification of the fair value for the financial assets, at FVOCI.

Fair value of financial instruments that are not carried at fair value

The carrying amount of the current financial assets that are not carried at fair value approximate their respective fair values as at the end of the reporting period due to the relatively short-term maturity of these financial instruments.

Fair value of financial instruments carried at fair value

The Company has no financial assets and financial liabilities carried at fair value as at 31 March 2025 and 2024.

15. Capital management

The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and net current asset position in order to support its business and maximise shareholder value. The capital structure of the Company comprises issued share capital and retained earnings.

The Company manages its capital structure and makes adjustments to it, in light of changes in economic conditions. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. No changes were made to the objectives, policies or processes during the financial years ended 31 March 2025 and 31 March 2024.

Thermax Energy & Environment Philippines Corporation

(A Subsidiary of Thermax Engineering Singapore Pte. Ltd.)

Board of Directors

Swapnil Dhumane
Rabindranath Pillai
Sandeep Mandke
Ramil E Bugayong
Patrick Arcellana

Registered Office

Unit 4028, 40th floor, PBCOM Tower,
6795 Ayala Ave. Corner Rufino,
Makati City 1226, Metro Manila, Philippines

Auditors

SpCip Gorres Velayo & Co.
6760 Ayala Avenue
1226 Makati City
Philippines

Bankers

Citi Bank,NA

INDEPENDENT AUDITOR'S REPORT

The Board of Directors and the Stockholders
Thermax Energy & Environment Philippines Corporation

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thermax Energy & Environment Philippines Corporation (the Company), which comprise the statements of financial position as at March 31, 2025 and 2024, and the statements of income, statements of changes in equity and statements of cash flows for the years then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025 and 2024, and its financial performance and its cash flows for the years then ended in accordance with Philippine Financial Reporting Standard for Small Entities (PFRS for SEs) Accounting Standard.

Basis for Opinion

We conducted our audits in accordance with Philippine Standards on Auditing (PSAs). 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 for Professional Accountants in the Philippines (Code of Ethics) together with the ethical requirements that are relevant to our audit of the financial statements in the Philippines, 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.

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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with PFRS for SEs Accounting Standard, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 charged with governance are 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 PSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with PSAs, 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 the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on the Supplementary Information Required Under Revenue Regulations 15-2020 and 34-2010

Our audits were conducted for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplementary information required under Revenue Regulations 15-2020 and 34-2010 in Note 19 to the financial statements is presented for purposes of filing with the Bureau of Internal Revenue and is not a required part of the basic financial statements. Such information is the responsibility of the management of Thermax Energy & Environment Philippines Corporation. The information has been subjected to the auditing procedures applied in our audit of the basic financial statements. In our opinion, the information is fairly stated, in all material respects, in relation to the basic financial statements taken as a whole.

SYCIP GORRES VELAYO & CO.

Ysmael S. Acosta

Partner

CPA Certificate no. 112825
Tax Identification Number. 301-106-775
BOA/PRC Reg. No. 0001, April 16, 2024, valid until August 23, 2026
BIR Accreditation No. 08-001998-130-2023, September 12,2023,
valid until September 11, 2026
PTR No. 10079891, January 5, 2024, Makati City

April 26, 2025

Thermax Energy & Environment Philippines Corporation

(A Subsidiary of Thermax Engineering Singapore Pte. Ltd.)

Statement of Financial Position
As on March 31, 2025
(With Comparative Figure for 2024)

	Note No	As at March 31, 2025		As at March 31, 2024	
		PHP	Rs Lacs	PHP	Rs Lacs
ASSETS					
Current Assets					
Cash in bank	4	**33,620,942**	**501.93**	19,512,807	289.52
Trade and other receivables	5	**5,576,267**	**83.25**	18,959,302	281.30
Prepayments and other current assets	6	**609,222**	**9.10**	1,781,561	26.43
Security deposits	7	**776,980**	**11.60**	586,980	8.71
Total Currents Assets		**40,583,411**	**605.87**	40,840,650	605.96
Non-current Assets					
Office Equipment	8	**-**	**-**	-	-
TOTAL ASSETS		**40,583,411**	**605.87**	40,840,650	605.96
LIABILITIES AND EQUITY					
Current Liabilities					
Acrruals and other payables	9	**1,542,659**	**23.03**	3,102,689	46.04
Non Current Liabilities					
Deferred tax liability		**161,697**	**2.41**	141,901	2.11
Total Liabilities		**1,704,356**	**25.44**	3,244,590	48.14
Equity					
Capital stock	11	**49,000,000**	**731.52**	49,000,000	727.02
Deficit		**(10,120,945)**	**(151.10)**	(11,403,940)	(169.20)
Total Equity		**38,879,055**	**580.43**	37,596,060	557.82
TOTAL LIABILITIES AND EQUITY		**40,583,411**	**605.87**	40,840,650	605.96

See accompanying Notes to Financial Statements.

Statement of Income
For the year ended March 31, 2025
(With Comparative Figure for the year from April 1, 2023 to March 31, 2024)

	Note No	Year ended March 31,			
		2025		2024	
		PHP	Rs Lacs	PHP	Rs Lacs
Revenues	12	**16,309,667**	**243.49**	16,904,003	250.81
Cost of Services	14	**12,924,506**	**192.95**	12,068,627	179.06
Gross Income		**3,385,161**	**50.54**	4,835,376	71.74
Operating expenses and Administrative expnese	15	**2,750,617**	**41.06**	3,944,732	58.53
Profit (Loss) From Operations		**634,544**	**9.47**	890,644	13.21
Other Income	13	**1,317,037**	**19.66**	1,566,970	23.25
Loss Before Income Tax		**1,951,581**	**29.14**	2,457,614	36.46
Provision For (Benefit From) Income Tax	18	**668,587**	**9.98**	482,980	7.17
Net Profit/ (Loss)		**1,282,994**	**19.15**	1,974,634	29.30
Total Comprehensive Profit/ (Loss)		**1,282,994**	**19.15**	1,974,634	29.30

Statement of Cash Flows
FOR THE YEAR ENDED MARCH 31, 2025
(With Comparative Figure for the year ended March 31, 2024)

		Year ended March 31,			
		2025		2024	
		PHP	Rs Lacs	PHP	Rs Lacs
CASH FLOWS FROM OPERATING ACTIVITIES					
Income / (loss) before income tax		**1,951,581**	**29.14**	2,457,614	36.37
Adjustment for :					
Unrealized gain on foreign exchange		**808,486**	**12.07**	(709,503)	(10.50)
Interest income	4 & 13	**(225,615)**	**(3.37)**	(184,867)	(2.74)
Operating loss before working capital changes		**2,534,452**	**37.84**	1,563,244	23.14
Decrease / (Increase) in:					
Trade and other receivables	5	**12,817,818**	**191.36**	(5,071,045)	(75.05)
Prepayments and other current assets	6	**523,548**	**7.82**	(503,008)	(7.44)
Security Deposit	7	**(190,000)**	**(2.84)**	(150,400)	(2.23)
Increase / (Decrease) in:					
Accruals and other payables	9	**(944,002)**	**(14.09)**	571,843	8.46
Net cash generated from / (used for) operations		**14,741,816**	**220.08**	(3,589,366)	(53.12)
Interest received		**225,615**	**3.37**	184,867	2.74
Income tax paid		**(616,027)**	**(9.20)**	(599,027)	(8.87)
Net cash provided by / (used in) operating activites		**14,351,404**	**214.25**	(4,003,526)	(59.25)
EFFECT OF EXCHANGE RATE CHANGES ON CASH		**(243,269)**	**(3.63)**	(418,685)	(6.20)
NET INCREASE (DECREASE) IN CASH		**14,108,135**	**210.62**	(4,422,211)	(65.45)
CASH AT BEGINNING OF YEAR		**19,512,807**	**291.31**	23,935,018	354.24
CASH AT END OF YEAR	4	**33,620,942**	**501.93**	19,512,807	288.79

See accompanying Notes to Financial Statements

Exchange Rate :as at 31 March 2025 is 1 PHP = 1.493

Exchange Rate :as at 31 March 2024 is 1 PHP = 1.48

See accompanying Notes to Financial Statements.

Statement of Equity
FOR THE YEAR ENDED MARCH 31, 2025
(With Comparative Figure for the year April 1, 2023 to March 31, 2024)

	(Note 11) Capital Stock		Deficit		Total	
	PHP	Rs Lacs	PHP	Rs Lacs	PHP	Rs Lacs
For the year Ended March 31, 2025						
Balances at beginings of year	**49,000,000**	**727.02**	**(11,403,939)**	**(169.20)**	**37,596,061**	**557.82**
Net Income / (Loss)	**-**	**-**	**1,282,994**	**19.15**	**1,282,994**	**19.15**
Balance at end of year	**49,000,000**	**731.52**	**(10,120,945)**	**(151.10)**	**38,879,055**	**580.43**
For the year Ended March 31, 2024						
Balances at beginings of year	49,000,000	727.02	(13,378,573)	(198.50)	35,621,427	528.52
Net Income / (Loss)	-	-	1,974,634	29.30	1,974,634	29.30
Balance at end of year	49,000,000	727.02	(11,403,939)	(169.20)	37,596,061	557.82

See accompanying Notes to Financial Statements

Thermax Energy & Environment Philippines Corporation

(A Subsidiary of Thermax Engineering Singapore Pte. Ltd.)

Notes to Financial Statements

1. Corporate Information

Thermax Energy & Environment Philippines Corporation (the Company) was incorporated and registered with the Philippine Securities and Exchange Commission (SEC) on August 19, 2016 with a corporate life of fifty (50) years from and after the date of issuance of the certificate of incorporation in accordance with the Corporation Code of the Philippines (Batas Pambansa Blg. 68) and the Foreign Investments Act of 1991 (Republic Ac No. 7042, as amended).

The Company is primarily involved into marketing and sales support services to Thermax Ltd. and its group companies to negotiate and finalize order terms with customers and sell its products/industrial equipment such as boilers, heaters, water and waste water treatment plants, air pollution control equipment, chemicals, absorption chillers, geothermal plants, solar based systems & power plants etc., support customers in installation, commissioning of equipment, sell spare parts and provide after-sales and related services to third-party customers in Philippines.

The Company is a wholly owned subsidiary of Thermax Engineering Singapore Pte. Ltd. (the Parent Company). The Company's Ultimate Parent Company is RDA Holdings Pvt. Ltd. which was incorporated under the laws of India.

The Company's registered office is Unit 4033, 40th Floor PBCOM Tower, 6795 Ayala Ave., corner Rufino St., Makati City.

The Company has two (2) employees as at March 31, 2025 and 2024. respectively

The financial statements were approved and authorized for issuance by the Board of Directors (BOD) on April 26, 2025.

2. Summary of Significant Accounting Policies

Basis of preparation

The accompanying financial statements have been prepared on a historical cost basis and are presented in Philippine Peso (₱), the Company's functional currency. All amounts are rounded to the nearest Philippine Peso, unless otherwise indicated.

Statement of Compliance

The financial statements have been prepared in accordance with the Philippine Financial Reporting Standard for Small Entities (PFRS for SEs) Accounting Standard as approved by the Financial Reporting Standards Council, Board of Accountancy and SEC.

For Philippine financial reporting purposes, PFRS for SEs Accounting Standard shall cover entities that:

(a) have total assets or total liabilities between (₱) 3 million and ₱ 100 million,

(b) are not required to file financial statements under Securities Regulation Code (SRC) Rule 68.1 (unlisted and non-public entities),

(c) are not in the process of filing financial statements for the purpose of issuing any class of instruments in a public market, and

(d) are not holders of secondary licenses issued by a regulatory agency such as banks, investment houses, finance companies, securities broker/dealers, mutual funds and pre-need companies.

Financial Instruments

Classification

The following are basic financial instruments:

- Cash
- A debt instrument that satisfies specific criteria
- A commitment to receive a loan that
  - Cannot be settled net in cash, and
  - When the commitment is executed, is expected to meet the conditions of a debt instrument above
- • An investment in non-convertible preference shares and non-puttable ordinary shares or preference shares.

Other financial instruments would include instruments that are not within the scope of basic financial instruments.

The Company's basic and other financial assets and liabilities include "Cash in bank", "Trade and other receivables", "Security deposits" and "Accruals and other payables" (except for statutory liabilities).

Recognition

Basic and other financial assets and liabilities are recognized when the entity becomes a party to the contracts.

Initial Measurement of Financial Instruments

Basic financial instruments are measured at their transaction price including transactions costs. If the contract constitutes a financing arrangement it is measured at the present value of future payments discounted at a market rate of interest for a similar instrument (this is not applicable to assets and liabilities classified as current, unless they incorporate a finance arrangement).

If interest is not at a market rate, the fair value would be future payments discounted at a market rate of interest. Other financial instruments are initially measured at fair value, which is usually their transaction price. This will exclude transaction costs.

Subsequent Measurement

Debt instruments are measured at amortized cost using the effective interest rate. Commitments to receive a loan are measured at cost less impairment.

All other financial instruments are measured at fair value at reporting date. The only exception are equity instruments (and related contracts that would result in delivery of such instruments) that are not publicly traded and whose fair value cannot be reliably determined are measured at cost less impairment.

Impairment of Financial Instruments

At each reporting date, an assessment is made by the Company as to whether there is objective evidence of a possible impairment. The impairment loss of financial instruments at amortized cost is the difference between carrying value and the revised cash flows discounted at the original effective interest rate.

The impairment of financial instruments at cost less impairment is the difference between the carrying value and best estimate of the amount that would be received if the asset were sold at the reporting date.

Fair Value

The standard makes use of a fair value hierarchy. This is quoted prices in an active market, prices in recent transactions for the identical assets (adjusted if necessary), and use of a valuation technique (that reflects how the market would expect to price the asset and the inputs reasonably represent market expectations). Fair value, where there is no active market, is only considered reliable if the variability in the range of fair values is not significant and the probabilities of various estimates can be reasonably assessed.

Derecognition

The Company derecognizes a financial asset when:

- The contractual rights to the cash flows from the financial asset expire or are settled.

Notes to Financial Statements

- The Company transfers to another party substantially all of the risks and rewards of ownership of the financial asset.
- The Company, despite having retained some significant risks and rewards of ownership, has transferred control of the asset to another party and the other party has the practical ability to sell the asset in its entirety to an unrelated third party.

The Company derecognizes a financial liability when extinguished, cancelled or has expired.

Trade and other receivables

This represents receivables from customers and related parties for services rendered and rolling advances to assignees for business-related expenses. Advances to officers and employees are initially measured at fair value and subsequently measured at amortized cost less any impairment loss.

Prepayments and other current assets

This includes prepaid expenses, input value-added tax (VAT) and deferred input VAT.

Prepaid expenses

Prepaid expenses represent advance payments initially recorded as asset when paid. The portion of asset that have been used or expired during the period is charged to expense.

Value-added tax

Revenues, expenses, and assets are recognized net of the amount of VAT, if applicable.

When VAT from sales of goods and/or services (output VAT) exceeds VAT passed on from purchases of goods or services (input VAT), the excess is recognized as payable in the statement of financial position. When VAT passed on from purchases of goods or services (input VAT) exceeds VAT from sales of goods and/or services (output VAT), the excess is recognized as an asset in the statement of financial position to the extent of the recoverable amount.

Security deposits

Security deposits represent rental deposit with the lessor for the condominium unit. These are measured initially at fair value and subsequently measured at amortized cost less any impairment loss.

Office equipment

Office equipment is stated at historical cost less accumulated depreciation and any accumulated impairment losses.

The initial cost of property and equipment comprises its purchase price and any directly attributable costs of bringing the property and equipment to its working condition and location for its intended use. Expenditures incurred after the property and equipment have been put into operation, such as repairs and maintenance, are normally charged to the statements of income in the year in which the costs are incurred. In situations where it can be clearly demonstrated that the expenditures have resulted in an increase in the future economic benefits expected to be obtained from the use of an item of property and equipment beyond its originally assessed standard of performance, the expenditures are capitalized as an additional cost of property and equipment.

Depreciation commences once the property and equipment are available for use and is calculated on a straight-line method over the estimated useful life (EUL) of the asset. The estimated useful life of computer equipment is three (3) years.

The assets' EUL and depreciation method are reviewed periodically to ensure that the period and method of depreciation are consistent with the expected pattern of economic benefits from the items of office equipment.

An item of office equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the office equipment (calculated as the difference between the net disposal proceeds and the carrying amount of the property and equipment) is included in the statements of income for the year.

Impairment of non-financial assets

Prepayments and other current assets and office equipment are assessed at each reporting date to determine whether there is an indication that they are impaired. When an impairment indicator is identified, the carrying value of the asset is tested for impairment. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use.

If an impairment indicator no longer exists or the recoverable amount has increased subsequently, the Company will determine the amount of impairment loss that can be reversed to the extent that the reversal should not result in a carrying amount of the asset that is higher had no impairment loss was recognized in the prior years

Accruals and other payable

Accruals and other payables are present obligations on the basis of normal credit terms and do not bear interest. These are recognized in the period in which the related money, goods or services are received or when a legally enforceable claim against the Company is established or when the corresponding assets or expenses are recognized. The Company classifies a liability as current when it expects to settle the liability within 12 months after the reporting period.

Other payables represent reimbursement of business-related expenses incurred by the employees. These are initially measured at fair value and subsequently measured at amortized cost.

Provisions

Provisions are recognized when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

Contingent assets and contingent liabilities

Contingent assets are not recognized in the financial statements but disclosed when inflow of economic benefits is probable. Contingent liabilities are not recognized in the financial statements. These are disclosed unless the possibility of an outflow of resources embodying economic benefits is remote.

Revenue and expense recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue and expense is recognized:

Service income

Service and commission income are recognized when services are rendered.

Interest income

Interest income is recognized as it accrues, net of final taxes.

Other income

Other income is recognized as it accrues.

Expenses

Expenses are recorded when incurred and measured at the amount paid or payable.

Foreign Currency Transactions

In preparing the financial statements, transactions in foreign currencies other than the functional currency are recorded at the rates of exchange prevailing at the dates of the transactions. At each reporting date, monetary items denominated in foreign currency are retranslated at the rates prevailing at the reporting date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair values are determined. Non-monetary items that are measured in terms of historical cost in foreign currency are not retranslated.

Foreign currency gain or loss resulting from the settlement of such transaction at year-end exchange rates of monetary asset denominated in foreign currency is recognized in the statement of income.

Employee benefits

Short-term benefits

The Company provides short-term benefits to its employees in the form of salaries and wages, 13th month pay, contributions to SSS/PHIC/HDMF, bonuses and allowances that are presented under salaries, wages and employee benefits as part of expenses.

Leases - Company as lessee

Leases applies to an agreement whereby the lessor conveys to the lessee in return for a payment or series of payments the right to use an asset for an agreed period of time.

A lessee shall recognize all lease payments as expense in profit or loss in the period in which they are incurred.

Income tax

Current tax assets and liabilities comprise those claims from, or obligations to, fiscal authorities relating to the current or prior reporting period, that are uncollected or unpaid at the reporting date. They are recalculated according to the tax rates and tax laws applicable to the fiscal periods to which they relate, based on the taxable profit for the year. All changes to current tax assets or liabilities are recognized as a component of tax expense in the income statement.

Deferred income tax is provided using the balance sheet liability method on all temporary differences, with certain exceptions, at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes.

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

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 income will be available to allow all as part of the deferred tax assets to be utilized. Unrecognized deferred tax assets are reassessed at each end of the reporting period and are recognized to the extent that it has become probable that future taxable income will allow all or part of the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rate that is expected to apply to the period when the asset is realized or the liability is settled, based on tax rates and tax laws that have been enacted or substantively enacted at the financial reporting date.

Equity

Capital stock is measured at par value for all shares issued. Incremental costs incurred directly attributable to the issue of new shares are shown in the equity as a deduction from proceeds, net of tax. When the shares are sold at premium, the difference between the proceeds at the par value is credited to "Additional paid-in capital" account. Direct costs incurred related to equity issuance are chargeable to "Additional paid-in capital" account. If additional paid-in capital is not sufficient, the excess is charged against retained earnings.

Deficit include all current and prior period results of operation as reported in the statement of income, net of any dividend declaration.

Events after financial reporting date

Post year-end events that provide additional information about the Company's position at reporting date (adjusting events) are reflected in the financial statements, if any. Post year-end events that are not adjusting events are disclosed in the notes to financial statements when material.

3. Significant Accounting Estimates and Judgements

The preparation of the accompanying financial statements in conformity with PFRS for SEs Accounting Standard requires the Company to make use of judgments, estimates and assumptions that affect the amounts on the financial statements and accompanying notes. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of relevant facts and circumstances as of the date of the financial statements. Actual results could differ from such estimates.

Judgments

In process of applying the Company's accounting policies, management has made the following judgments, apart from those involving estimation, which have the most significant effect on the amounts recognized in the financial statements.

Lease agreements

The Company has entered into various operating lease agreements during the current year. Based on the evaluation of the terms and conditions of the arrangements, all the risks and benefits incidental to ownership of the leased land are not transferred to the Company. In determining significant risks and benefits of ownership, the Company considered, among others, that there is no transfer of ownership of the asset to the lessee by the end of the lease term. Thus, the Company accounted for these agreements as operating leases.

Functional currency

The Company's management considers the Philippine Peso as the currency that most faithfully represents the economic effect of the underlying transactions, events and conditions. It is the currency which measures the performance and reports the results of the Company's operations.

4. Cash in Bank

This account pertains to deposits in Citibank, N.A. a mounting to ₱33,620,942 and ₱19,512,807 as at March 31, 2025 and 2024, respectively.

Cash in bank generally earn interest at prevailing bank deposit rates.

Total interest income earned on cash in bank amounted to ₱225,615 and ₱184,867 in 2025 and 2024, respectively (see Note 13).

Unrealized foreign exchange loss due to cash in banks amounted to ₱243,269 and ₱418,685 in 2025 and 2024, respectively.

5. Trade and Other Receivables

	2025	2024
Accounts receivable - trade		
Related parties (Note 10)	**₱4,742,470**	₱18,633,327
Third parties	**276,976**	276,976
Advances to officers and employees	**518,900**	240,000
Interest receivable	**96,998**	66,082
Receivable from officer and employee	**19,893**	19,893
Advances to suppliers	**198,006**	–
	5,853,243	19,236,278
Less: allowance for bad debts	**(276,976**	(276,976)
	₱5,576,267	₱18,959,302

Movements in allowance for bad debts on trade receivables in 2025 and 2024 are as follows:

	2025	2024
Beginning balance	**₱276,976**	₱276,976
Provisions	**-**	-
Ending balance	**(₱276,976)**	(₱276,976)

Advances to suppliers pertain to deposits for processing of visa downgrade and annual report.

Advances to officers and employees represent rolling advances of assignees subject to liquidation.

6. Prepayments and Other Current Assets

	2025	2024
Prepaid expenses (Note 16)	**₱ 441,995**	₱ 1,320,280
Input VAT	**143,449**	95,433
Deferred input VAT	**20,797**	125,796
Advances for liquidation	**2,981**	2,981
Creditable withholding taxes	–	183,697
Prepaid income tax	–	53,374
	₱ 609,222	₱1,781,561

Prepaid expenses are composed of prepaid rent, insurance, educational assistance and business permits.

Input VAT represents VAT imposed on the Company by its suppliers for the acquisition of goods and services as required by Philippine taxation laws and regulations.

The deferred input VAT pertains to input VAT on the purchase of applicable services that are still outstanding at end of the financial reporting period which will be claimed as a tax credit against output VAT upon payment of the related liability.

Creditable withholding taxes will be claimed as tax credit once received from customers and will be used against the income tax payable. Once collected, the creditable withholding taxes are reclassified to prepaid income tax. In 2024, the Company has written-off creditable withholding taxes which it assessed as not recoverable amounting to ₱7,699 (see Note 15).

Prepaid income tax applied against income tax payable for the years ended March 31, 2025 and 2024 amounted to nil and ₱53,374, respectively.

7. Security Deposits

This account consists of two (2) months security deposits on lease contracts to the following lessors:

	2025	2024
Regus PLT Centre Inc.	**₱ 346,980**	₱ 346,980
Dennis Garces	**240,000**	240,000
Maria Angela Ferrer	**190,000**	–
	₱ 776,980	₱ 586,980

8. Office Equipment

Cost of office equipment amounted P=19,643 with accumulated depreciation of P=19,643 resulting to nil net book value as at March 31, 2025 and 2024. Depreciation expense amounted to nil in 2025 and 2024. There were no acquisitions, write-offs nor disposals of office equipment in 2025 and 2024.

9. Accruals and Other Payables

	2025	2024
Deferred output VAT	**₱521,558**	₱1,995,384
Accrued expenses	**422,875**	533,399
Advances from officers and employees	**75,000**	130,372
Income tax payable	**32,763**	–
Statutory payables:		
Fringe benefit tax payable	**353,167**	337,802
SSS, PHIC and HDMF payable	**54,960**	9,956
Withholding tax payable on wages	**40,256**	21,453
Withholding tax payable at source	**13,905**	46,149
Advances from customer	**28,175**	28,174
	₱1,542,659	₱3,102,689

Deferred output VAT represents VAT on trade receivables that are payable upon collection from customers.

Accrued expenses consist of the following:

	2025	2024
Professional fees	**₱ 397,875**	₱ 500,746
Vehicle rental	**25,000**	32,653
	₱ 422,875	₱ 533,399

Output VAT payable is the VAT payable to the government from the collection from the customers and due for remittance to the government.

10. Related Party Transactions

Related party transactions are made under the normal course of business. Parties are considered to be related if one party has the ability, directly or indirectly, to control the other party or exercise significant influence over the other party in making financial and operating decisions and the parties are subject to common control or common significant influence. Related parties may be individuals or corporate entities.

The Company, in the normal course of business, has transactions with affiliates. The Company's relationships with the related parties are disclosed below:

Related Party	Relationship
Thermax Limited	Entity under the common control of the Ultimate Parent Company

Significant transactions of the Company in the normal course of business with related parties are described below. Amount/Volume relates to the amount affecting the profit or loss of the Company. Outstanding balance is inclusive of the VAT receivable from the affiliates. Transactions are generally settled in cash, unless otherwise stated.

Category	Amount/ Volume	Outstanding Balance	Terms	Conditions
2025				
Thermax Limited				
Marketing and Sales Support Services (Note 5)	**₱ 16,309,667**	**₱ 4,742,470**	Non-interest bearing, 30-days	Unsecured, no impairment
2024				
Thermax Limited				
Marketing and Sales Support Services (Note 5)	₱ 16,904,003	₱ 18,633,327	Non-interest bearing, 30-days	Unsecured, no impairment

The Company has raised sales invoices with Thermax Limited, PT Thermax International Indonesia, and Thermax Onsite Energy Solutions Limited for the provisioning of marketing and sales support services. The Company billed its affiliates at operating expenses plus mark-up rate of 10% (effective October 2023) for the years ended March 31, 2025 and 2024, respectively.

Key management personnel compensation

The key management personnel compensation includes salaries, social contribution, de minimis and bonuses for the years ended March 31, 2025 and 2024 and amounted to nil as the Company's accounting and administrative functions are handled by the Parent Company.

11. Share Capital

The Company's share capital as at March 31, 2025 and 2024 consists of:

	Number of shares	Amounts
Authorized capital stock		
₱100 par value per share	900,000	₱90,000,000
Subscribed capital stock		
₱100 par value per share	490,000	₱49,000,000
Paid up capital		
₱100 par value per share	490,000	₱49,000,000

The Company has one (1) shareholder owning one hundred (100) or more shares as at March 31, 2025 and 2024.

12. Revenue

	2025	2024
Service income		
Related parties (Note 10)	**₱ 16,309,667**	₱ 16,904,003

13. Other Income

	2025	2024
Unrealized gain/loss on foreign exchange - net	**₱ (808,486)**	₱709,503
Realized gain on foreign exchange	**1,899,908**	672,600
Interest income (Note 4)	**225,615**	184,867
	₱ 1,317,037	₱ 1,566,970

14. Cost of Services

	2025	2024
Payroll and other related expenses	**₱ 3,338,672**	₱ 3,199,671
Rent (Note 16)	**2,355,160**	2,199,160
Fringe benefit	**2,194,859**	1,870,016
Transportation and travel	**1,585,852**	2,137,167
Fringe benefit tax	**1,181,847**	1,006,931
Vehicle rental	**642,071**	1,215,759
Printing and office supplies	**75,531**	24,491
Communication	**74,663**	100,146
Courier	**18,633**	10,377
Others	**806,395**	304,909
	₱ 12,255,049	₱ 12,068,627

15. Operating Expenses

	2025	2024
Professional fees	**₱ 1,699,811**	2,349,331
Advertisement	**669,457**	-
Insurance	**89,163**	144,168
Taxes and licenses	**73,693**	169,620
Bank charges	**23,199**	23,451
Repairs and Maintenance	**1,844**	9,948
Asset write-off (Note 6)	**–**	7,699
Advertising	**–**	711,286
Others	**862,907**	529,229
	₱ 2,750,617	3,944,732

16. Lease Agreements

The Company entered in operating lease agreements as follows:

a. The contract was renewed subsequently for a (12) months from March 1, 2024 to February 29, 2025 with a monthly rent of ₱118,380 exclusive of VAT.As at March 31, 2024 there was an advance rent payment amounting to ₱118,380. The contract was renewed subsequently for a (12) months from March 1, 2025 to February 28, 2026 with a monthly rent of ₱125,480 exclusive of VAT. As at March 31, 2025 there was an advance rent payment amounting to ₱125,480.

Rent expense amounted to ₱2,355,160 and ₱2,199,160 for the years ended March 31, 2025 and 2024, respectively (Note 14).

The future minimum lease payments (excluding taxes, etc.) are as follows:

	2025	2024
Less than one year	**₱ 1,505,760**	₱ 1,420,560

17. Foreign-Currency Denominated Assets

	2025	2024
Current assets		
Cash in Banks	**$27,345**	$274,259
Trade receivables	**83,218**	331,318
	110,563	605,577
Year-end exchange rate	**57.21**	56.24
Peso equivalent	**₱6,325,309**	₱34,057,650

Foreign exchange gain (loss) charged to operations is as follows:

	2025	2024
Unrealized foreign exchange gain		
Cash in Banks	**(₱808,846)**	(₱418,685)
Trade receivables	**567,091**	1,128,188
Realized foreign exchange gain - net	**1,051,754**	290,817
	₱809,999	₱1,000,320

18. Income Taxes

	2025	2024
Current	**₱648,791**	₱599,027
Deferred	**19,796**	(116,047)
	₱668,587	₱482,980

Current income tax

The current income tax expense for the years ended March 31, 2025 and 2024 pertains to normal income tax.

Deferred income tax and liabilities

The Company's deferred tax assets (liabilities) as of March 31, 2025 and 2024 are as follows:

	2025	2024
Unrealized foreign exchange gains - net	**₱161,697**	(₱141,901)

The Company has no NOLCO as at March 31, 2025 and 2024.

The reconciliation between the tax computed at statutory income tax rates to provision for income tax follows:

	2025	2024
Income at statutory income tax rate	**₱ 390,316**	₱ 491,523
Tax effects of:		
Interest income subjected to final tax	**(45,123)**	(36,973)
Nondeductible expenses	**323,394**	28,430
Provision for income tax	**₱ 668,587**	₱ 482,980

19. Supplementary Tax Information under Revenue Regulations (RR)

The Bureau of Internal Revenue has issued Revenue Regulations (RR) No. 15-2010 and (RR)

No. 34-2020 which requires certain tax information to be disclosed in the notes to financial statements. The additional required disclosures as at and for the year ended March 31, 2025 are discussed below:

Value added tax (VAT)

The Company's VAT payable is computed as follows:

Sales of services	₱28,591,544
Zero-rated sales/receipts	–
Total gross receipts	28,591,544
Less: Zero-rated sales/receipts	-
Total VATable gross receipts	28,591,544
Multiply by: Tax rate	12%
Total output VAT for the year	3,430,985
Current year's purchases	
Domestic purchases of goods other than capital goods	–
Domestic services	5,007,098
Total VATable purchases	5,007,098
Multiply by: Tax rate	12%
Total input for the year	600,852
Add: Previous year's excess input VAT	95,443
Total allowable input VAT	696,295
Output VAT declared for the year	3,430,985
Output VAT payable	3,430,985
Less: Total Input VAT at the end of the year	696,295
VAT payable for the year	2,734,690
Less: VAT payments for the current year	2,878,139
Net output VAT payable/(excess)	₱(143,844)

Landed cost, customs duties and tariffs

The Company has no transactions which are subject to the determination of actual landed cost as the basis of computation and payment of customs duties and tariffs.

Excise taxes

The Company has no transactions that are subject to excise tax.

Documentary stamp taxes

The Company has no transactions that are subject to documentary stamp tax.

Other taxes, local and national

This account consists of taxes and licenses paid and accrued are as follows:

Business permit	₱ 73,693
Less: Payments	73,693
	₱ -

Withholding taxes

i. Withholding tax on compensation

Total withholding tax payable for the year	₱ 628,245
Less: Payments made from April 2024 to February 2025	587,989
Withholding tax still due and payable	₱ 40,256

ii. Fringe benefits tax

Total fringe benefit tax payable for the year	₱ 1,181,847
Less: Payments made from April 2024 to December 2024	828,680
Fringe benefit tax still due and payable	₱ 353,167

iii. Expanded withholding tax

Total withholding tax payable for the year	₱59,903
Less: Payments made from April 2024 to February 2025	245,998
Withholding tax still due and payable	₱13,905

iv. *Final withholding tax*

The Company has no transactions subject to final withholding tax.

Tax assessment

The Company has not received any tax assessments from the BIR.

Tax cases

The Company has no outstanding cases which are under preliminary investigation, litigation and/or prosecution in courts or bodies outside the BIR.

RR-No. 34-2020

On December 18, 2020, the BIR issued RR No. 34-2020 which prescribes the guidelines and procedures for the submission of BIR form 1709, Transfer Pricing Documentation (RPD) and other supporting documents. This regulation is issued to allow the BIR to verify that taxpayers are reporting their related party transactions at arm's length prices.

Under this RR, Companies that will fall under the following criteria will be required to file and submit BIR Form 1709 or Information Return on Related Party Transaction (RPT Form):

(a) Large taxpayers;

(b) Taxpayers enjoying tax incentives, i.e. Board Of Investments (BOI)-registered and the economic zone enterprises, those enjoying Income Tax Holiday (ITH) or subject to preferential income tax rate;

(c) Taxpayers reporting net operating losses for the current taxable year and the immediately preceding two (2) consecutive taxable years; and

(d) A related party, as defined under Section 3 of RR No. 19- 2020, which has transactions with (a), (b) or (c). For this purpose, key management personnel (KMP), as defined under Section 3(7) of RR No. 19-2020, shall no longer be required to file and submit Related Party Transaction (RPT) Form, nor shall there be any requirement to report any transaction between KMP and the reporting entity/parent company of the latter in the RPT Form.

Since the Company does not fall in any categories as mentioned above, it will not be required to file and submit BIR form 1709 for the year ended March 31, 2025.

THERMAX NIGERIA LIMITED

Board of Directors
Rabindranath Pillai
Sandeep Mandke

Corporate Office
15, CIPM Avenue
Central Business District
Alausa
Ikeja
Lagos

Independent Auditors
BDO Professional Services
ADOL House, 15 CIPM Avenue
Central Business District
Alausa
Ikeja
Lagos

Company Secretary
Tinubu Associates Unlimited
Lagos Office, ADOL House, 15 CIPM Avenue
CBD, Alausa, Ikeja
Lagos, Nigeria

Bankers
Citi Bank Nigeria Limited
Rand Merchant Bank Nigeria Limited

Report of the directors

The Directors of Thermax Nigeria Limited ("the Company'') submit their report on the affairs of the Company together with the audited financial statements which have been prepared in line with the International Financial Reporting Standards (IFRS) and the report of the auditor for the year ended 31 March 2025.

INCORPORATION AND ADDRESS

Thermax Nigeria Limited was incorporated in Nigeria under the Companies and Allied Matters Act as a private company and is domiciled in Nigeria. The address of its registered office is:

5, CIPM Avenue, Alausa, Ikeja, Lagos.

PRINCIPAL ACTIVITIES

Thermax Nigeria Limited was incorporated in Nigeria on 5 October 2015 as a private limited company to carry on the business of designing, manufacturing, supply, erection and commissioning, supervision, operation and maintenance of industrial equipment such as boilers, heaters, water and waste water treatment plants, air pollution control equipment, absorption chillers, geothermal plants, solar based systems and power plants etc.

OPERATING RESULTS AND DIVIDENDS

The Company's results for the year ended 31 March 2025 are set out on page 3. The total comprehensive income for the year has been transferred to retained earnings. The summarised results are presented below:

	31 March 2025	31 March 2024
	N'000	N'000
Revenue	**47,63,479**	27,41,226
Profit before tax	**19,66,729**	27,21,419
Income tax expense	**(6,46,309)**	(8,93,203)
Profit after tax	**13,20,420**	18,28,216

The Board of Directors, pursuant to the powers vested in it by the provisions of Sections 289(8) and 426 of the Companies and Allied Matters Act, 2020 of Nigeria approved and recommended the payments of dividends as follows:

The sum of N150 million amounting to N3 per share as final dividend for the year ended 31 March 2023.

The sum of N650 million amounting to N13 per share as interim dividend for the period 31 March 2024

The sum of N600 million amounting to N12 per share as interim dividend for the year ended 31 March 2024.

These resolutions were passed for approval and recommendation by the Board of Directors as written resolutions in lieu of the Company's Board of Directors' meetings duly convened and held.

DIRECTORS

The directors who held office during the year and to the date of this report are given below:

Rabindranath Raghavan Pillai

Sandeep Mandke

DIRECTORS' SHAREHOLDING

None of the directors have any interest in the shares of the Company as at 31 March 2025 (2024:Nil). According to the register of members as at 31 March 2025, the following are the shareholders of Thermax Nigeria Limited.

	31 March 2025		31 March 2024	
	Shareholding (units)	Percentage	Shareholding (units)	Percentage
Thermax International Limited, Mauritius	49,999,800	99.9996	49,999,800	99.9996
Thermax Engineering Singapore PTE Limited	200	0.0004	200	0.0004
	50,000,000	100	50,000,000	100

DIRECTORS' INTEREST IN CONTRACTS

None of the directors have notified the Company for the purpose of section 303(1) and (3) of the Companies and Allied Matters Act, 2020 of their direct or indirect interest in contracts or proposed contracts with the Company during the year.

PLANT AND EQUIPMENT

Information relating to changes in plant and equipment during the year is shown in the Note 12 to these financial statements. In the opinion of the directors, the market value of the Company's properties is not less than the value shown in these financial statements.

EVENTS AFTER THE REPORTING DATE

As stated in note 23, there were no material events after the reporting date, which could have had material effects on the state of affairs of the Company as at 31 March 2025 and on the profit for the year ended on that date that have not been taken into accounts in these financial statements.

EMPLOYEE HEALTH, SAFETY AND WELFARE

(a) Health, safety and Welfare at work

The Company places high premium on then health, safety and welfare of its employees in their place of work. In order to protect other persons against risks to health and safety hazards arising out of or in connection with the activities of employees at work, the Company has adopted comprehensive safety policies and procedures and reviews safety facilities on a regular basis.

(b) Employee consultation and training

The Company places considerable value on the involvement of its employees in its affairs and has continued its practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the Company, it also ensures that employees receive on the job training complemented when and where necessary with additional facilities from educational institutions or other training institutions.

(c) Employment of physically challenged persons

Applications for employment by physically challenged persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. It is the policy of the Company that the training, career development and promotion of physically challenged employees should, as far as possible, be identical with that of other employees. There are no physically challenged persons in its employment during the year (2024: Nil).

DONATIONS AND GIFTS

The Company did not make any donations or gifts to any charitable organisations, political association or for any other purpose in the course of the year under review (2024:Nil).

AUDITORS

During the year, Messrs PricewaterhouseCoopers, independent auditors, resigned as auditors to the Company. Accordingly, BDO Professional Services were appointed as auditors of Thermax Nigeria Limited and they have expressed their willingness to continue in office as auditors.

In accordance with section 401 of the Companies and Allied Matters Act, 2020, a resolution will be proposed to authorise the directors to fix their remuneration at the next Annual General Meeting.

Tinubu Associates Unlimited

Company Secretary,

Lagos, Nigeria

Date: 2 May 2025

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Companies and Allied Matters Act, 2020, requires the directors to prepare financial statements for each financial year that give a true and fair view of the state of financial affairs of the Company at the end of the year and of the profit or loss for the year ended 31 March 2025, and in so doing they ensure that:

a) Proper accounting records are maintained that disclose, with reasonable accuracy, the financial position of the Company and comply with the requirements of the Companies and Allied Matters Act, 2020.

b) Applicable accounting policies are adopted and consistently applied;

c) Judgments and estimates made are reasonable and prudent;

d) The going concern basis is used, unless it is inappropriate to presume that the Company will continue in business; and

e) Internal control procedures are instituted which as far as reasonably possible, safeguard the assets of the Company and prevent and detect fraud and other irregularities.

The Directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgements and estimates, in conformity with International Financial Reporting Standards (IFRS) and the requirements of the Companies and Allied Matters Act, 2020.

The Directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its profit for the year ended 31 March 2025.

The Directors further accept responsibility for the maintenance of accounting records that may be relied upon in the preparation of financial statements, as well as adequate systems of internal control over financial reporting .

Nothing has come to the attention of the Directors to indicate that the Company will not remain a going concern for at least twelve months from the date of this statement.

Rabindranath Pillai
Director

Sandeep Mandke
Director

STATEMENT OF CORPORATE RESPONSIBILITIES

In line with the provision of Section 405 of the Companies and Allied Matters Act, 2020, we have reviewed the audited financial statements of the Company for the year ended 31 March 2025 and based on our knowledge confirm as follows:

a) The audited financial statements do not contain any untrue statement of material fact or omit to state a material fact, which would make the statements misleading.

b) The audited financial statements and all other financial information included in the statements fairly present, in all material respects, the financial condition and results of operations of the Company as at and for the year ended 31 March 2025.

c) The Company's internal controls have been designed to ensure that all material information relating to the Company is received and provided to the Auditors in the course of the audit.

d) The Company's internal controls were evaluated within 90 days of the financial reporting date and are effective as of 31 March 2025.

e) That we have disclosed to the Company's auditor the following information:

   i) that there are no significant deficiencies in the design or operation of the Company's internal controls which could adversely affect the Company's ability to record, process, summarise and report financial data, and have discussed with the Auditor any weaknesses in internal controls observed in the cause of the audit.

   ii) there is no fraud involving management or other employees which could have any significant role in the Company's internal control.

f) There are no significant changes in internal controls or in the other factors which could significantly affect internal controls subsequent to the date of this audit, including any corrective actions with regard to any observed deficiencies and material weaknesses.

Rabindranath Pillai
Director

Sandeep Mandke
Director

THERMAX NIGERIA LIMITED

Independent auditor's report

TO THE SHAREHOLDERS OF THERMAX NIGERIA LIMITED

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Opinion

We have audited the financial statements of Thermax Nigeria Limited which comprise, the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2025 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the Companies and Allied Matters Act, 2020.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The Directors are responsible for the other information. The other information comprises the information included in the Directors' statements, 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 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 information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the Companies and Allied Matters Act, 2020 and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 a 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, 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 the effectiveness of the Company's internal control.

* Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.

* Conclude on the appropriateness of directors' 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 the directors regarding, among other matters, the planned scope and timing of the audit, and significant audit findings and any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The Companies and Allied Matters Act, 2020 requires that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.

ii) in our opinion, proper books of account have been kept by the Company, and

iii) the Company's statement of financial position, and its statement of profit or loss and other comprehensive income are in agreement with the books of account.

Henry B. Omodigbo
FRC/2013/ICAN/00000003977
For: BDO Professional Services
Chartered Accountants

Lagos, Nigeria
5 May 2025

Statement of Profit or Loss and Other Comprehensive Income

	NOTE	2025		2024	
		NGN'000	**Rs. Lacs**	NGN'000	Rs. Lacs
Revenue	7	**47,63,479.20**	**2,652.64**	27,41,225.94	1,741.19
Other income	8	**8,698.18**	**4.84**	17,687.00	11.23
Exchange gain	8a	**55,291.12**	**30.79**	16,57,487.00	1,052.81
Operating expenses	9	**(28,60,738.71)**	**(1,593.06)**	(16,94,980.48)	(1,076.63)
Profit before tax	10	**19,66,728.79**	**1,094.21**	27,21,419.46	1,728.61
Taxation	11a	**(6,46,309.37)**	**(359.91)**	(8,93,203.00)	(567.35)
Profit after tax		**13,20,420.43**	**735.30**	18,28,216.46	1,161.26
Other comprehensive income		**-**	**-**	-	-
Total comprehensive income		**13,20,420.43**	**735.30**	18,28,216.46	1,161.26
Earnings per share	18	**26.41**	**0.01**	36.56	0.02

The notes on pages 7-24 and other national disclosures on pages 25 and 26 are an integral part of these financial statements.

THERMAX NIGERIA LIMITED

Statement of Financial Position

	NOTE	2025		2024	
		NGN'000	**Rs. Lacs**	NGN'000	Rs. Lacs
ASSETS					
Non current assets					
Plant and equipment	12	**157.05**	**0.09**	208.00	0.13
Deferred tax assets	11d	**29,442.51**	**16.40**	-	-
Total non current assets		**29,599.56**	**16.48**	208.00	0.13
Current assets					
Trade and other receivables	13	**30,26,883.48**	**1,685.58**	25,37,914.00	1,612.05
Cash and cash equivalents	14	**11,54,561.11**	**642.94**	9,90,450.00	629.12
Total current assets		**41,81,443.58**	**2,327.52**	35,28,364.00	2,241.17
Total assets		**42,11,043.64**	**2,344.50**	35,28,572.00	2,241.30
LIABILITIES					
Current liabilities					
Trade and other payables	15	**11,10,029.80**	**618.14**	3,68,933.00	234.34
Current tax liabilities	11b	**8,90,583.87**	**495.94**	6,54,797.00	415.92
Total current liabilities		**20,00,613.67**	**1,114.08**	10,23,730.00	650.26
Non-current liabilities					
Deferred tax liabilities	11d	**-**	**-**	2,14,832.00	136.46
Total Liabilities		**20,00,613.67**	**1,114.08**	12,38,562.00	786.72
Equity					
Share capital	16	**50,000.00**	**27.84**	50,000.00	31.76
Retained earnings	17	**21,60,429.89**	**1,203.08**	22,40,010.46	1,422.82
Total equity		**22,10,429.89**	**1,230.92**	22,90,010.46	1,454.58
Total equity and liabilities		**42,11,043.57**	**2,345.00**	35,28,572.46	2,241.30

The financial statements and other national disclosures on pages 7-26 were approved and authorised for issue by the Board of Directors on 2 May 2025 and were signed on its behalf by:

Rabindranath Pillai
Director

Sandeep Mandke
Director

The notes on pages 7-24 and other national disclosures on pages 25 and 26 are an integral part of these financial statements.

Statement of Changes in Equity

	Attributable to equity holders of the Company					
	Share capital		Retained earnings		Total	
	NGN'000	Rs. Lacs	NGN'000	Rs. Lacs	NGN'000	Rs. Lacs
Balance at 1 April 2023	50,000.00	31.76	4,11,794.00	261.57	4,61,794.00	293.33
Comprehensive income:						
Profit for the year	-		18,28,216.46	1,161.26	18,28,216.46	1,161.26
Other comprehensive income	-		-		-	
Total comprehensive income	**-**		**18,28,216.46**	**1,161.26**	**18,28,216.46**	**1,161.26**
Balance at 31 March 2024	50,000.00	31.76	22,40,010.46	1,422.83	22,90,010.46	1,454.58
Balance at 1 April 2024	**50,000.00**	**31.76**	**22,40,010.46**	**1,422.83**	**22,90,010.46**	**1,454.58**
Comprehensive income:						
Profit for the year	**-**	**-**	**13,20,420.43**	**735.30**	**13,20,420.43**	**735.30**
Other comprehensive income	**-**	**-**	**-**		**-**	
Total comprehensive income	**-**	**-**	**13,20,420.43**	**735.30**	**13,20,420.43**	**735.30**
Dividend paid	**-**	**-**	**(14,00,000.00)**	**(779.62)**	**(14,00,000.00)**	**(779.62)**
Balance at 31 March 2025	**50,000.00**	**27.84**	**21,60,429.89**	**1203.08**	**22,10,429.89**	**1230.92**

The notes on pages 7-24 and other national disclosures on pages 25 and 26 are an integral part of these financial statements.

Statement of cash flows

	Notes	2025		2024	
		NGN'000	Rs. Lacs	NGN'000	Rs. Lacs
Cash flows from operating activities					
Profit before taxation		**19,66,728.79**	**1,095.21**	27,21,419.46	1,728.61
Adjustment for:					
Depreciation of property, plant and equipment	**12**	**51.00**	**0.03**	45.00	0.03
		19,66,779.79	**1,095.24**	27,21,464.46	1,728.64
Changes in working capital:					
Increase in trade and other receivables	**13**	**(4,88,969.48)**	**(272.29)**	(17,09,962.00)	(1,086.15)
Increase/(decrease) in trade and other payables	**15**	**7,41,096.80**	**412.69**	(1,87,284.00)	(118.96)
		22,18,908.12	**1,236.64**	8,24,218.46	523.53
Income tax paid	**11b**	**(6,54,797.00)**	**(364.64)**	(2,16,493.00)	(137.51)
Net cash inflow from operating activities		**15,64,111.12**	**872.01**	6,07,725.46	386.02
Cash flow from investing activities					
Purchase of property, plant and equipment	**12**	**-**	**-**	(253.00)	(0.16)
Net cash outflow from investing activities		**-**	**-**	(253.00)	(0.16)
Cash flow from financing activities					
Dividend paid	**17**	**(14,00,000.00)**	**(779.62)**	-	-
Net cash outflow from financing activities		**(14,00,000.00)**	**(779.62)**	-	-
Net increase in cash and cash equivalents		**1,64,111.12**	**92.39**	6,07,472.46	385.86
Cash and cash equivalents at the beginning of the year		**9,90,450.16**	**629.12**	3,82,978.00	243.26
Cash and cash equivalents at the end of the year	**14**	**11,54,561.28**	**721.51**	9,90,450.16	629.12

The notes on pages 7-24 and other national disclosures on pages 25 and 26 are an integral part of these financial statements

THERMAX NIGERIA LIMITED

Annual report and financial statements

For the year ended 31 March 2025

Notes to the financial statements

1 General information

Thermax Nigeria Limited was incorporated in Nigeria on 5 October 2015 as a private limited company. The Company is domiciled in Nigeria and the address of its registered office is:

15, CIPM Avenue, Alausa, Ikeja, Lagos, Nigeria

1.1 Principal Activities

Thermax Nigeria Limited was incorporated in Nigeria as a private limited company to carry on the business of designing, manufacturing, supply, erection and commissioning, supervision, operation and maintenance of industrial equipment such as boilers, heaters, water and waste water treatment plants, air pollution control equipment, absorption chillers, geothermal plants, solar based systems and power plants etc.

2 Basis of preparation

(a) Statement of compliance with International Financial Reporting Standards

The financial statements of Thermax Nigeria Limited have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), the interpretations issued by IFRS Interpretations Committee (IFRS IC) applicable to companies reporting under IFRS and in compliance with Financial Reporting Council of Nigeria (Amendment) Act, 2023 and the requirements of companies and Allied Matters Act, 2020. Additional information required by national regulations is included where appropriate.

These financial statements were authorised for issue by the Board of Directors on 2 May 2025.

(b) Basis of measurement

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and the notes to the financial statements.

The financial statements have been prepared in accordance with the going concern principle under the historical cost except for certain financial instruments which are measured at fair value as discussed in the accounting policies below.

(c) Functional and presentation currency

The Company's functional and presentation currency is the Nigerian Naira. The financial statements are presented in Nigerian Naira and have been rounded up to the nearest thousand except where otherwise stated.

(d) Use of estimates and judgement

The preparation of financial statements in conformity with IFRS requires the use of certain critical accounting estimates and judgments. It also requires management to exercise its judgement in the process of applying the company's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3 Changes in accounting policies

(a) New standards, interpretations and amendments adopted from 1 January 2024

The following amendments are effective for the period beginning 1 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and
- Non-current Liabilities with Covenants (Amendments to IAS 1).

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2024.

Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7)

On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7

Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.

The amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The amendments also provide guidance on characteristics of supplier finance arrangements.

Lease Liability in a Sale and leaseback (Amendments to IFRS 16);

On 22 September 2022, the IASB issued amendments to IFRS 16 — ease Liability in a Sale and Leaseback (the Amendments).

Prior to the Amendments, IFRS 16 did not contain specific measurement requirements for lease liabilities that may contain variable lease payments arising in a sale and leaseback transaction. In applying the subsequent measurement requirements of lease liabilities to a sale and leaseback transaction, the Amendments require a seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

These amendments had no effect on the consolidated financial statements of the Company

Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1)

The IASB issued amendments to IAS 1 in January 2020 Classification of Liabilities as Current or Non-current and subsequently, in October 2022 Non-current Liabilities with Covenants.

The amendments clarify the following:

- An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period.
- If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company. However, the classification of certain borrowings has changed from non- current to current as result of the application of the amendments for the current financial year as well as the comparative period.

b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 January 2025:

- Lack of Exchangeability (Amendment to IAS 21 the Effects of Changes in Foreign Exchange Rates);

The following amendments are effective for the annual reporting period beginning 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial instruments and IFRS 7)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability: Disclosures.

The Company is currently assessing the effect of these new accounting standards and amendments.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items.

These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/ disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Company does not expect to be eligible to apply IFRS 19.

4 Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i) Income and deferred taxes

The company is subject to income taxes only within the Nigerian tax authority which does not require much judgment in terms of provision for income taxes but a certain level of judgment is required for recognition of the deferred tax assets. Management is required to assess the ability of the company to generate future taxable economic earnings.

Taxes are paid by the company under a number of different regulations and laws, which are subject to varying interpretations. In this environment, it is possible for the tax authorities to review transactions and activities that have not been reviewed in the past and scrutinize these in greater detail, with additional taxes being assessed based on new interpretations of the applicable tax law and regulations. Accordingly, management's interpretation of the applicable tax laws and regulations as applied to the transactions and activities of the Company may be challenged by the relevant taxation authorities. The Company's management believes that its interpretation of the relevant tax law and regulations is appropriate and that the tax position included in these financial statements will be sustained.

ii) Impairment of plant and equipment

Thermax Nigeria Limited assesses assets or groups of assets for impairment whenever events or changes in circumstances indicate that carrying amounts of those assets may not be recoverable. In assessing whether a write-down of the carrying amount of a potentially impaired asset is required, the asset's carrying amount is compared to the recoverable amount. Frequently, the recoverable amount of an asset proves to be the Company's estimated value in use.

The estimated future cash flows applied are based on reasonable and supportable assumptions and represent management's best estimates of the range of economic conditions that will exist over the remaining useful life of the cash flow generating assets.

iii) Legal proceedings

The Company reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those financial statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Company's management as to how it will respond to the litigation, claims or assessment.

5 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements

a) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods or services stated net of value added taxes (VAT). Sale of services are recognised in the period in which the costs incurred in providing the services are recognised.

A valid contract is recognised after:

- The contract is approved by the parties.
- Rights and obligations are recognised.
- Collectability is probable.
- The contract has commercial substance.
- The payment terms and consideration are identifiable.

The probability that a customer would make payment is ascertained based on the evaluation done on the customer as stated in the credit management policy at the inception of the contract. The Company is the principal in all its revenue arrangement since it is the primary obligor in most of the revenue arrangements, and determines the pricing for the goods and services.

Revenue represents the value of compensation earned for the provision of marketing and sales support services to third parties in Nigeria and on behalf of Thermax Limited. It is recognised in the period in which the Company delivers the related services, and collectability of the related receivables is reasonably assured.

It also represents the value of compensation earned by providing Operation and Maintenance services in Nigeria. It is recognised in the period in which the Company delivers the related services, and collectability of the related receivables is reasonably assured.

b) Finance income

Finance income comprises interest income on short-term deposits with banks. Interest income on short-term deposits is recognised by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the asset's net carrying amount on initial recognition. Interest income is recognised in the statement of profit or loss and other comprehensive income as it accrues, using the effective interest method.

c) Other income

This comprises interest on short-term deposits with banks, profit on disposal of property, plant and equipment and impairment loss no longer required.

Interest income on short-term deposits is recognised by reference to the principal outstanding and at the effective interest rate applicable. Income arising from disposal of items of property, plant and equipment is recognised at the time when proceeds from the disposal has been received by the Company. The profit on disposal is calculated as the difference between the net proceeds and the carrying amount of the assets. The Company recognised impairment no longer required as other income when the Company received cash on an impaired receivable or when the value of an impaired investment increased and the investment is realisable.

d) Operating expenses

Operating expenses are recognised in income statement upon utilisation of the service or at the date of their origin. Expenditure for warranties is recognised and charged against the associated provision when the related revenue is recognised.

e) Current and deferred taxation

i) Current tax

The tax currently payable is based on taxable profit for the year. Taxable profit difers from 'profit before tax' as reported in the statement of profit or loss because of items of income or expenses that are taxable or deductible in other years but it further excludes items that are never taxable or deductible.

The Company's current tax is calculated using tax rates that have been enacted or subsequently enacted by the end of the reporting period. Current income tax is the expected amount of income tax payable on the taxable profit for the year determined in accordance with the Companies Income Tax Act (CITA) using statutory tax rates at the balance sheet date. Education tax is assessed at 3% of the assessable profits determined in accordance with the Education Tax Act.

The Company is subject to the Finance Act as enacted, which amends the Company Income Tax (CITA). Total amount tax payable under this is determined based on the higher of two components; Company Income Tax Act on taxable income (or loss) for the year, and minimum tax (determined based on 0.5% of qualifying Company's turnover less franked investment income). Taxes based on taxable profit are treated as income tax in line with IAS 12, whereas minimum tax based on gross amount is outside the scope of IAS 12 and therefore not presented as tax expense in the statement of profit or loss.

Where the minimum tax charge is higher than the Company Income Tax (CIT), a hybrid tax situation exists. In this situation, the CIT is recognised in the income tax expense line in the profit or loss and the excess amount is presented above the income tax line as minimum tax.

ii) Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporay differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. in addition , deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the assets to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substatntively enacted by the end of the reporting period.

f) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as National Pension Commission on a mandatory, contractual or voluntary basis. The Company operates a defined contribution plan as stipulated in the Pension Reforms Act, 2014. Under the defined contributory scheme, the Company contributes 10%, while its employees contribute 8% of their annual basic, housing and transport allowances to the scheme. The Company's obligations are recognised in the statements of profit or loss and other comprehensive income as administrative expenses (employee benefits) when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or reduction in the future payments is available. The Company has no further payment obligations once the contributions have been paid.

g) Plant and equipment

i) Recognition and measurement

Plant and equipment are stated at historical cost less accumulated depreciation calculated from the date of commissioning and any accumulated impairment losses. Historical costs include expenditure that is directly attributable to the acquisition of the items.

ii) Subsequent costs

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to the statement of profit or loss in the financial period in which they are incurred.

iii) Depreciation

Depreciation is calculated on items of plant and equipment to write down the cost of each asset to its residual value over its estimated useful life. No depreciation is charged on items of

plant and equipment until they are brought into use. Where plant and equipment consist of components with different useful lives, they are accounted for as separate items.

The principal annual rates used to write down the cost of the assets are as follows:

Type of asset	%
Office equipment	20

iv) Derecognition

An item of plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the profit and loss component of the statement of profit or loss and other comprehensive income within 'Other income or operating expenses' in the year that the asset is derecognised.

h) Impairment of non-financial assets

Non-financial assets other than deferred tax assets are reviewed at each reporting date for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which they have separately identifiable cash flows (cash-generating units).

If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount. An impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. A reversal of an impairment loss is recognised immediately in the income statement, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment is treated as a revaluation increase.

i) Financial instruments

Financial instruments which are financial assets and liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and Thermax Nigeria Limited has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Management determines the classification of its financial instruments at initial recognition.

i) Financial assets

The Company does not have any financial assets accounted for on the basis of fair value through profit or loss or through other comprehensive income.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. These are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. The normal credit term is 7-90 days upon delivery.

The Company has applied the simplified approach for trade and other receivables upon the adoption of IFRS 9 and follows an Expected Credit Losses ('ECLs') approach for measuring the allowance of its trade receivables. The expected loss rate is assessed on the basis of historical credit losses of 36 months before 31 March 2025 and adjusted to reflect current and forward-looking information. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Company expects to receive. The carrying amount of the receivable is reduced by the amount of the provision, which is recognised as part of operating expenses.

If a trade receivable ultimately becomes uncollectible, it is written off initially against any provision made in respect of that receivable with any excess recognised as part of operating expenses. Subsequent recoveries of amounts previously written-off or provisions no longer required are credited against operating expenses. Loans are initially recognised at the fair value net of transaction costs incurred. After initial recognition, all interest-bearing loans are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method whereby any discount, premium or transaction costs associated with a loan are amortised to the income statement over the borrowing period.

Other recivables

These amounts generally arise from transactions outside the usual operating activities of the Company. They are usually recognised at amortised cost.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include deposits with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

ii) Financial liabilities

The Company classifies its financial liabilities as financial liabilities measured at amortised cost. The classification depends on the purpose for which the liabilities were incurred.

Financial liabilities are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the income statement using the effective interest method.

Trade payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Other financial liabilities

Other financial liabilities include due to related parties, trade payables and other short-term monetary liabilities, which

are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Offsetting financial assets and financial liabilities

The Company offsets financial assets and financial liabilities to the net amount reported in the balance sheet when it currently has a legally enforceable right to offset the recognised amounts and it intends to settle on a net basis or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

Impairment of financial assets

The Company assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

j) Provisions

Provisions are recognised when: the Company has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Where the Company expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset only when such reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

k) Related party transactions

Related parties include the related companies, the directors and any employee who is able to exert significant influence on the operating policies of the company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Company considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there are related party transactions with the company, the transactions are disclosed as to the type of relationship that exists with the company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

l) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital accounts.

m) Retained earnings

This represents amount set aside out of profits of the Company which shall at the discretion of the directors be applied to meeting contingencies, repairs or maintenance of any works connected with the business of the Company, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Company may lawfully be applied.

n) Dividends

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Company's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Company. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position date.

o) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Nigerian Naira, rounded to the nearest thousand, which is the Company's functional currency.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions, and from translation of monetary assets and liabilities denominated in currencies other than the entity's functional currency at year end exchange rates, are recognized in the income statement.

The Company presents its financial statements in the Nigerian Naira ("N") in compliance with the legal requirement for Nigerian companies to present their accounts in Nigerian Naira. The financial statements are translated to the presentation curency using the closing rate. Exchange differences arising out of this translation from the functional currency to presentation currency are classified as a cumulative translation adjustment and recorded against equity in the Company's statement of finacial position through statement of other comprehensive income.

In translating US Dollar balances to Naira, the following exchange rates were used :

2025 Year-end N1,536.32/US$1 ; average for the year N1,487.93/US$1

2024 Year-end N1,330.26/US$1 ; average for the year N856.03/US$1

iii) Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

6 Financial risk management

The Company's activities expose it to financial risk- credit risk, liquidity risk and market risk. Risk management is carried out by management, management identifies and evaluates the financial risks in co-operation with the Company's operating units and; provides written principles for overall risk management, as well as written policies covering specific areas. The Company's overall risk management program seeks to minimize potential adverse effects on the Company's financial performance.

6.1 Credit risk management

Credit risk is the risk that financial loss arises from the failure of a customer or counterparty to meet its obligations under a contract, and arises principally from the Company's trade receivables. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposure to customers, including outstanding receivables and committed transactions.

The balances exposed to credit risk are disclosed below

	2025	2024
	N'000	N'000
Amounts due from related parties (note 19 (ii))	**133,936**	114,107
Trade receivables (note 13)	**3,349,361**	2,403,352
Other current assets (note 13b)*	**571**	284,991
Cash and cash equivalents (note 14)	**1,154,561**	990,450
Financial assets bearing credit risk	**4,638,430**	3,792,900

*Other receivables include unbilled revenue and staff receivables but excludes prepayments and WHT/VAT recoverables as these are non financial assets.

Impairment of financial assets

The Company's financial assets that are subject to IFRS 9's expected credit loss model are as follows:

- Trade receivables
- Amount due from related parties and;
- Cash and cash equivalents

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, there is no identified impairment loss.

Amounts due from related parties

Amounts due from related parties represent fee income due from related parties for the provision of services in the ordinary course of business. Credit terms for related entities are determined on individual basis and the Company does not require collateral in respect of intercompany receivables.

The Company has applied simplified approach in computing the Expected Credit Loss (ECL) for intercompany receivables. The Company allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including audited financial statements, cashflow projections), applying experienced judgement and historical default rates. Lifetime probabilities of default are determined based on available data which reflects the loss rate of the related party.

Intercompany receivables and payables are offset and the net amount presented in the Statement of Financial Position when, and only when the Company has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the asset and settle the liability simultaneously.

The credit risk associated with receivables due from related parties are considered minimal and no impairment has been recognised in respect of the balances at year end (2024: Nil).

	2025	2024
	N'000	N'000
Gross carrying amount as at 1 April	**114,107**	75,336
Addition during the year	**569,408**	306,063
Receipt for the year	**(549,579)**	(267,292)
Gross carrying amount as at 31 March	**133,936**	**114,107**

The expected loss rates as on 31 March 2025 are as follows

	Current (not past due) Qualitative provision	**Current (not past due)**	**More than 12 months past due**	**More than 12 months past due**	**Total**
	N'000	**N'000**	**N'000**	**N'000**	**N'000**
Gross carrying amount	**736,535**	**133,936**	**2,518,863**	**93,963**	**3,483,297**
Unbilled revenue	**-**	**-**	**-**	**-**	**-**
Net gross carrying amount*	**736,535**	**133,936**	**2,518,863**	**93,963**	**3,483,297**
Default rate	**10%**		**33%**	**100%**	
Lifetime ECL on gross amount	**(73,654)**	**-**	**(831,225)**	**(93,963)**	**(998,841)**
Net trade receivables	**662,882**	**133,936**	**1,687,638**	**-**	**2,484,456**

The expected loss rates as on 31-03-2024 are as follows:

	Current (not past due) Qualitative Provision	Current (not past due)	More than 12 months past due	Total
	N'000	N'000	N'000	N'000
Gross carrying amount	2,627,575	114,107	81,360	2,823,042
Unbilled revenue	(305,583)	-	-	(305,583)
Net gross carrying amount*	2,321,992	114,107	81,360	2,517,459
Default rate	10%		100%	
Lifetime ECL on gross amount	(262,758)	-	(81,360)	(344,118)
Net trade receivables	2,059,235	114,107	-	2,173,342

	2025	2024
	N'000	N'000
Gross carrying amount as at 1 April	**2,517,459**	730,802
Opening balance exchange difference	**(688,079)**	(692)
Additions during the year	**5,250,772**	2,545,334
Receipts for the year	**(4,884,898)**	(1,446,064)
Closing balance exchange difference	**1,288,000**	688,079
*Net gross carrying amount as at 31 March	**3,483,255**	2,517,459
Lifetime ECL	**(998,841)**	(344,118)
Net carrying amount as at 31 March	**2,484,413**	2,173,341

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates and the credit policy of the Enterprise.

Cash and bank balance fall under neither past due nor impaired.

	2025	2024
	N'000	N'000
B+	**1,154,561**	990,450

'B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

The modifiers "+" or ''-'' may be appended to a rating to denote relative status within major rating categories. This is based on Fitch national long term rating.

At 31 March 2025

	Less than 3 months	Between 3 months and 1 year	Over 1 year	Total
	N'000	N'000	N'000	N'000
Trade payables	2,75,184	1,47,170	-	4,22,354
Accruals, provisions and other liabilities	6,87,676	-	-	6,87,676
	9,62,860	1,47,170	-	11,10,030

At 31 March 2024

	Less than 3 months	Between 3 months and 1 year	Over 1 year	Total
	N'000	N'000	N'000	N'000
Trade payables	42,948	-	-	42,948
Accruals, provisions and other liabilities	3,25,985	-	-	3,25,985
	3,68,933	-	-	3,68,933

6.3 Market risk

Market risk is the risk of change in the fair value of financial instruments due to changes in interest rates (interest rate risk), foreign exchange rates (currency risk) and other market factors (other price risk).

6.3.1 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates. The Company's exposure to interest rate risk relates primarily to a long term borrowing from banks. There are no borrowings as the end of the year (2024: Nil).

6.3.2 Foreign exchange risk

The Company is exposed to foreign exchange risk arising from commercial transactions. There are account receivable balances exposed to exchange risk at the end of the year N3.48 billion (2024: N2.52 billion).

Sensitivity

The sensitivity analysis for currency rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date. There are foreign denominated balances that are exposed to fluctuations in foreign exchange rates.

The sensitivity of the Company's earnings to fluctuations in exchange rate is reflected by varying the exchange rate as shown below:

	2025	2024
	N'000	N'000
Impact on account receivable balance		
Increase in US Dollars exchange rate against NGN +20%	**696,659**	503,492
Decrease in US Dollars exchange rate against NGN -20%	**(696,659)**	(503,492)

6.3.3 Price risk

Price risk is the risk that prices of internationally traded commodities or equity prices will change. The Company does not trade in quoted securities and commodities.

6.4 Capital risk management

The Company's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt. Consistent with others in the industry, the company monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. However, the Company does not currently have any borrowings.

6.5 Liquidity risk

Management of liquidity risk

Cash flow forecasting is performed by the finance department. The finance department monitors rolling forecasts of liquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its borrowing facilities.

The Company evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Company devises strategies to manage its liquidity risk.

Prudent liquidity risk management implies that sufficient cash is maintained and that sufficient funding is available through an adequate amount of committed credit facilities. The Company has no limitation placed on its borrowing capability.

The table below analyses the Company's financial liabilities into relevant maturity based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Fair value hierarchy

IFRS 13 requires the Company to classify the fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. A description of the fair value hierarchy is detailed below:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

All the Company's financial assets and liabilities are measured at the amortised cost. The fair value are within level 2 of the fair value hierarchy.

Financial instruments by category

Financial assets and liabilities have been classified into categories that determine their basis of measurement and for items measured at fair value.

(i) Financial assets classified as loans and receivables

The carrying value of the Company's financial assets as at 31 March 2025 is the same as its fair value.

(ii) Financial liabilities carried at amortised cost

The carrying value of the Company's liabilities as at 31 March 2025 is the same as its fair value.

7 Revenue

The company dervies revenue from the transfer of services at a point in time in the following major product lines:

	2025	2024
	N'000	N'000
- Supply of Manpower for Operation and Maintenance activities	**4,163,429**	2,400,049
- Fee Income (Note 7(a))	**569,408**	306,062
- Technical service	**30,642**	35,115
	4,763,479	2,741,226

(a) Thermax Nigeria Limited entered into an agreement with Thermax Limited for its marketing and sales support services. Based on the agreement, the Comapany has raised revenue invoices on Thermax Limited by applying 6% & 5% of mark up on operating expenses.

The fee income has been determined as follows:

	2025 N'000	2024 N'000
Operating expenses	-	117,239
Add: Mark-up of 6%	-	7,034
	-	124,273
Operating expenses	**542,293**	173,132
Add : Mark-up of 5%	**27,115**	8,657
	569,408	181,789
	569,408	306,062

There were no assets and liabilities related to contracts with customers as at reporting date (2024: Nil).

8 Other income

	2025 N'000	2024 N'000
Interest on fixed deposit	**8,698**	17,687
	1,675,174	7,538

8a Exchange gain

	2025 N'000	2024 N'000
Unrealised exchange gain	**(722,339)**	(1,657,487)
Unrealised exchange loss	**282,092**	-
Realised exchange loss	**384,956**	-
	(55,291)	(1,657,487)

9 Operating expenses

	2025 N'000	2024 N'000
**Audit fee	**6,150**	7,400
Professional and secretarial fees	**61,289**	87,088
Employees cost (note 19)	**1,383,281**	822,280
Site expenses & contract labour	**377,804**	219,150
Food expenses	**80,625**	44,389
Travelling and conveyance	**512,925**	325,544
Rent	**15,663**	9,978
Communication	**2,213**	1,790
Medical reimbursable expense	**4,102**	991
Vehicle repair and maintenance	**71,377**	343
Medical insurance	**1,247**	3,943
Miscellaneous expenses	**10,860**	8,620
Bank charges	**22,056**	7,415
Printing and stationeries	**1,986**	467
Other expenses	**6,826**	4,689
Depreciation expenses	**51**	45
Provision for bad debt (Note 13(a))	**302,284**	150,848
	2,860,739	1,694,980

**During the year 2025, the audit firm did not provide any services other than the audit of the financial statements.

10 Profit before taxation is arrived at after charging:

	2025 N'000	2024 N'000
Depreciation of plant and equipment	**51**	45
Audit fee	**6,150**	7,400
Exchange loss	**667,048**	-
And after crediting:		
Exchange gain	**722,339**	1,657,487

11 Taxation

11(a) Income tax expense

	2025 N'000	2024 N'000
Company income tax	**809,532**	595,142
Education tax	**80,954**	59,519
Deferred tax charge to profit or loss	**(244,275)**	238,406
Police Trust Fund levy	**98**	136
Total current tax expense	**646,309**	893,203

11(b) Statement of financial position

	2025 N'000	2024 N'000
Balance at 1 April	**654,797**	216,494
Charge for the year	**890,584**	654,797
Payment during the year	**(654,797)**	(216,494)
Balance at the end of the year	**890,584**	654,797

11(c) Reconciliation of taxation

The income tax expense for the year can be reconciled to the accounting profit as per the statement of profit or loss and other comprehensive income as follows:

	2025 N'000	2024 N'000
Profit before tax	**1,966,729**	2,721,419
Tax at the statutory corporation tax rate of 30%	**590,019**	595,142
Tax effects of:	**80,954**	59,519
Education tax	**98**	136
Police Trust levy	**(244,275)**	238,406
Deferred Tax charge- current year	**229,019**	
Effect of expenses not deductible in determining taxable profit	**(9,506)**	-
Current year loss relieved		-
Income tax expense	**646,309**	893,203
Effective rate	0.33	0.33

11(d) Deferred tax liabilities/(assets)

	2025 N'000	2024 N'000
Balance at the beginning of the year	**214,832**	(23,574)
Charge for the year	**(244,275)**	238,406
Balance at the end of the year	**(29,443)**	214,832

THERMAX NIGERIA LIMITED

12 Plant and equipment

Office equipment

Cost

	2025 N'000	2024 N'000
At 1 April	**253**	-
Additions	**-**	253
At 31 March	**253**	**253**

Accumulated depreciation

	2025 N'000	2024 N'000
At 1 April	**45**	-
Charge for the year	**51**	45
At 31 March	**96**	**45**
Carrying amount		
31 March	**157**	208

i) There were no impairment losses recognised during the year.

ii) There were no contractual commitments to acquire property, plant and equipment during the year.

iii) There were no assets pledged as securities at the end of the year.

13 Trade and other receivables

	2025 N'000	2024 N'000
Due from related parties (note 20 (ii))	**133,936**	114,107
Due from others	**3,349,361**	2,403,352
Total trade receivables	**3,483,297**	2,517,459
Expected credit loss (note 13a)	**(998,841)**	(344,118)
Net trade receivables	**2,484,456**	2,173,341
Other receivables (note 13b)	**542,427**	364,573
	3,026,883	2,537,914

13(a) Allowance for impairment of trade receivables

	2025 N'000	2024 N'000
Balance at the beginning of the year	**344,118**	76,580
Provision for the year (Note 9)	**302,284**	150,848
Exchange difference	**352,439**	116,690
Balance at the end of the year	**998,841**	344,118
	3,026,883	2,537,914

13(b) Other receivables

	2025 N'000	2024 N'000
Advance to employees	**571**	728
Deposit for office rent*	**3,653**	2,008
Unbilled revenue	-	284,263
Withholding tax receivable	265,043	52,692
Advance payments to suppliers	**216,711**	-
Prepayments (note 13c)	**56,449**	24,882
	542,427	364,573

* This relates to the expense of short term leases and low value items for which the Company has not recognised a right of use assets and liabilities.

13(c) Prepayments

	2025 N'000	2024 N'000
Rent	**56,449**	24,882

14 Cash and cash equivalents

	2025 N'000	2024 N'000
Cash at bank	**846,999**	191,660
Fixed deposit	**307,562**	798,790
	1,154,561	990,450

15 Trade and other payables

	2025 N'000	2024 N'000
Trade payables	**39,372**	42,948
Payable to related companies (note 20 (ii))	**382,982**	-
	422,354	42,948
Accruals, provisions and other liabilities (note 15a)	**687,676**	325,985
	1,110,030	368,933

15(a) Accruals, provisions and other liabilities

	2025 N'000	2024 N'000
Professional fees payable	**157,588**	126,797
Provision for VAT penalty	**-**	390
WHT liabilities	**20,603**	15,426
VAT payable	**219,049**	168,095
ITF payable	**3,051**	8,254
Dividend payable*	**9,598**	-
Payable to employees	**4,075**	5,672
Advance customer payment	**273,712**	1,351
	687,676	325,985

* Dividend payable represents the unpaid balance on the dividend declared for 2023 and 2024 financial years. A total sum of N1.4 billion was declared for both years (See Note 17), while N1.39 billion has been paid to the shareholders during the year ended 31 March 2025.

16 Share capital

	2025 N'000	2024 N'000
Issued and fully paid		
50,000,000 ordinary shares of N1.00 each	**50,000**	50,000
	50,000	50,000

The share capital comprises only one class of ordinary shares. The ordinary shares carry a voting right and the right to a dividend.

17 Retained earnings

	2025 N'000	2024 N'000
Balance at the beginning of the year	**2,240,010**	411,794
Profit for the year	**1,320,420**	1,828,216
Dividend paid	**(1,400,000)**	-
Balance at the end of the year	**2,160,430**	2,240,010

18 Earnings per share

Basic earnings per ordinary share of N1.00 each is calculated on the Company's profit after taxation based on the number of shares in issue at the end of the year.

	2025	2024
	N'000	N'000
Profit for the year attributable to shareholders	**1,320,420**	1,828,216
Weighted average number of ordinary shares in issue	**50,000**	50,000
Basic earnings per share of N1.00 each	**26.4**	36.6

19 Employee information

	2025	2024
	N'000	N'000
Salaries and wages	**1,326,681**	793,091
Employee cost	**3,705**	-
Pension cost- Retirement contribution plan	**6,789**	2,619
Education expenses	**7,786**	5,001
Rent	**38,320**	21,569
	1,383,281	822,280

(a) Number of persons employed during the year

	2025	2024
	Number	Number
Sales and marketing department	**6**	7
Service department	**4**	4
	10	11

(b) The number of employees with emoluments within the bands stated below are

	2025	2024
	Number	Number
N5,000,001 - N40,000,000	**10**	11
N40,000,001 - N80,000,000	**-**	-

20 Related party transactions

The Company enters into transactions with companies and entities that fall within the definition of a related party as contained in the International Accounting Standards (IAS 24), Related Party Disclosures. Related parties comprise companies under common ownership and/or common management and control and key management personnel.

The Company is a wholly owned subsidiary of Thermax International Limited, Mauritius. There are other companies that are related to Thermax Nigeria Limited through common shareholdings or common directorships.

i) Related party relationships

	Relationship	Details of transactions
Thermax Limited	Parent company	Marketing and sales support services were provided to Thermax Limited during the year

ii) The following balances resulted from transactions carried out with related parties during the year.

	2025	2024
	Number	Number
Due from related parties (See note 20ii(a))	**133,936**	114,107
Due to related parties (See note 20ii (b))	**382,982**	-

a) Due from related parties

	2025	2024
	Number	Number
Thermax Limited (For MSS)	**133,936**	114,107

b) Due to related parties

	2025	2024
	Number	Number
Thermax Limited (For payroll services)	**382,982**	-

iii) Key management compensation

Key management of the Company includes the directors. The directors waived their right to receive compensation from the Company during the year (2024: Nil).

21 Capital commitments

There were no commitments to capital expenditure at the statement of financial position date (2024: Nil).

22 Contingent liabilities

There were no contingent liabilities at the statement of financial position date (2024: Nil).

23 Events after the reporting date

There were no material events after the reporting date, which could have had material effects on the state of affairs of the Compay as at 31 March 2025 and on the profit for the year ended on that date that have not been taken into accounts in these financial statements.

THERMAX NIGERIA LIMITED

THERMAX NIGERIA LIMITED
FINANCIAL STATEMENTS, 31 MARCH 2025
OTHER NATIONAL DISCLOSURES
STATEMENT OF VALUE ADDED

	2025	%	2024	%
	N'000		N'000	
Revenue	47,63,479		27,41,226	
Exchange gain	**55,291**		(1)	
Other operating income	**8,698**		17,687	
	48,27,468		27,58,912	
Bought in material and services	**(14,77,407)**		7,84,831	
Value added	**33,50,061**	100	35,43,744	100
% of value added	**69%**		128%	
Applied as follows:				
To pay employees				
Salaries, wages and other benefits	**13,83,281**	41	8,22,280	23
To pay government				
Taxes	**6,46,309**	19	8,93,203	25
Retained in the business				
To provide for maintenance of assets	**51**	0	45	0
Profit for the year	13,20,420	39	18,28,216	52
Value added	33,50,061	100	35,43,744	100

Five-year financial summary

	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021
	N'000	N'000	N'000	N'000	N'000
Statement of financial position					
Non current assets	**29,600**	208	23,575	-	-
Current assets	**4,181,444**	3,528,364	1,210,929	76,404	69,018
Total assets	**4,211,044**	3,528,572	1,234,504	76,404	69,018
Current liabilities	**2,000,614**	1,023,730	772,710	11,292	11,013
Non current liabilities	**-**	214,832	-	-	-
Share capital	**50,000**	50,000	50,000	50,000	50,000
Retained earnings	**2,160,430**	2,240,010	411,794	15,112	8,005
Total equity and liabilities	**4,211,044**	3,528,572	1,234,504	76,404	69,018

Statement of comprehensive income

	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021
	N'000	N'000	N'000	N'000	N'000
Revenue	**4,763,479**	2,741,226	1,401,147	106,969	80,271
Operating profit	**1,966,729**	2,721,419	589,519	10,534	21,948
Taxation	**(646,309)**	(893,203)	(192,836)	(3,426)	(5,504)
Profit for the year	**1,320,420**	1,828,216	396,683	7,108	16,444

THERMAX ENERGY & ENVIRONMENT LANKA (PVT) LTD

Board of Directors
Rabindranath Pillai
Deepak Joshi

Registered Office
Level 37, West Tower,
World Trade Center,
Colombo- 01

Bankers
Citi Bank, N.A.

Auditors
Emst & Young
Chartered Accountants
Rotunda Towers
No. 109, Galle Road,
P.O.Box 101,
Colombo 03
Srilanka

INDEPENDENT AUDITOR'S REPORT

TO THE SHAREHOLDERS OF THERMAX ENERGY & ENVIRONMENT LANKA (PVT) LTD

Report on the audit of the financial statements

Opinion

We have audited the financial statements of Thermax Energy & Environment Lanka (Pvt) Ltd ("the Company"), which comprise the statement of financial position as at 31 March 2025, and the statement of profit or loss and comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Company as at 31 March 2025 and of its financial performance and its cash flows for the year then ended in accordance with Sri Lanka Accounting Standards for Small and Medium Sized Entities (SLFRS for SMEs).

Basis for opinion

We conducted our audit in accordance with Sri Lanka Auditing Standards (SLAuSs). 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 CA Sri Lanka (Code of Ethics) and we have fulfilled our other ethical responsibilities in accordance with the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with Sri Lanka Accounting Standards for Small and Medium Sized Entities (SLFRS for SMEs), and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 charged with governance are 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 SLAuSs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SLAuSs, 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 the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

Report on other legal and regulatory requirements

As required by section 163 (2) of the Companies Act No. 07 of 2007, we have obtained all the information and explanations that were required for the audit and, as far as appears from our examination, proper accounting records have been kept by the Company.

09 May 2025

Colombo

THERMAX ENERGY & ENVIRONMENT LANKA (PVT) LTD

STATEMENT OF FINANCIAL POSITION
AS AT 31 MARCH, 2025

	NOTE	2025		2024	
		LKR	**Rs Lacs**	LKR	Rs Lacs
Non-Current Assets					
Property, Plant and Equipment	4	**3,64,792**	**1.04**	4,93,542	1.37
Intangible Assets	5	**67,21,123**	**19.09**	-	-
Lease Receivable	6	**69,81,85,534**	**1,983.00**	-	-
Deferred Tax Assets	15	**-**		1,58,12,768	43.89
		70,52,71,449	**2,003.13**	1,63,06,310	45.26
Current Assets					
Inventory-WIP		**34,21,438**	**9.72**	59,84,40,653	1,660.90
Trade and Other Receivables	7	**24,29,01,685**	**689.89**	39,60,05,345	1,099.06
Income Tax Receivable	15	**99,86,456**	**28.36**	4,17,193	1.16
Lease Receivable	6	**22,74,94,812**	**646.14**	-	-
Cash and Cash Equivalents	8	**8,29,96,457**	**235.73**	14,73,80,509	409.04
		56,68,00,848	**1,609.84**	1,14,22,43,700	3,170.15
Total Assets		**1,27,20,72,297**	**3,612.97**	1,15,85,50,011	3,215.41
EQUITY AND LIABILITIES					
Capital and Reserves					
Stated Capital	9	**1,13,43,00,000**	**3,221.67**	1,13,43,00,000	3,148.11
Retained Earnings		**95,26,321**	**27.06**	(1,78,85,396)	(49.64)
Total Equity		**1,14,38,26,321**	**3,248.72**	1,11,64,14,604	3,098.47
Non-Current Assets					
Deferred Tax Liability	16	**85,12,977**	**24.18**	-	-
Other Non Current Liabilities	10.2	**3,54,12,148**	**100.58**	-	-
		4,39,25,125	**124.76**	-	-
Current Liabilities					
Trade and other payables	10	**8,43,20,852**	**239.49**	4,21,35,407	116.94
		8,43,20,852	**239.49**	4,21,35,407	116.94
Total Liabilities		**12,82,45,976**	**364.25**	4,21,35,407	116.94
Total Equity and Liabilities		**1,27,20,72,297**	**3,612.97**	1,15,85,50,011	3,215.41

I certify that these Financial Statements comply with the requirements of the Companies Act No.7 of 2007.

HUB Head - SAARC

The Board of Directors is responsible for these Financial Statements. Signed for and on behalf of the Board by;

Director Director

The Notes to the Financial Statements from pages 07 to 17 form an integral part of these Financial Statements.

09 May 2025
Colombo

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
YEAR ENDED 31 MARCH, 2025

	NOTE	2025		2024	
		LKR	Rs Lacs	LKR	Rs Lacs
Revenue	11	**1,32,76,42,785**	**3,770.80**	2,17,96,591	60.49
Cost of Sales		**(1,19,14,36,099)**	**(3,383.94)**	-	-
Direct Expenses		**(3,95,60,572)**	**(112.36)**	-	-
Gross Profit		**9,66,46,114**	**274.50**	2,17,96,591	60.49
Other Income	12	**1,18,03,036**	**33.52**	(4,84,82,188)	(134.56)
Administrative Expenses		**(4,87,30,743)**	**(138.41)**	(2,70,17,850)	(74.98)
Finance Income	13.1	**6,57,455**	**1.87**	16,92,473	4.70
Finance Expenses	13.2	**(36,41,680)**	**(10.34)**	-	-
Profit /(loss) before tax		**5,67,34,182**	**161.64**	(5,20,10,974)	(144.35)
Income Tax Expense	14	**(2,93,22,465)**	**(83.28)**	1,58,12,768	43.89
Profit/(loss) for the year		**2,74,11,717**	**78.36**	(3,61,98,206)	(100.46)

The Notes to the Financial Statements from pages 07 to 17 form an integral part of these Financial Statements.

STATEMENT OF CHANGES IN EQUITY
YEAR ENDED 31 MARCH, 2025

	Stated Capital		Retained Earnings		Total	
	LKR	Rs Lacs	LKR	Rs Lacs	LKR	Rs Lacs
Balance as at 01 April 2024	15,33,00,000	388.75	1,83,12,810	46.44	17,16,12,810	435.19
Profit for the year	-	-	(3,61,98,206)	(100.46)	(3,61,98,206)	(100.46)
Shares Issued during the period	98,10,00,000	2,722.64	-	-	-	-
Balance as at 31 March 2024	1,13,43,00,000	3,111.40	(1,78,85,396)	(54.02)	1,11,64,17,715	334.73
Profit for the year	-	-	2,74,11,717	77.86	2,74,11,717	77.86
Balance at 31st March 2025	**1,13,43,00,000**	**3,111.40**	**95,26,321**	**(54.02)**	**1,14,38,29,432**	**334.73**

The Notes to the Financial Statements from pages 07 to 17 form an integral part of these Financial Statements.

THERMAX ENERGY & ENVIRONMENT LANKA (PVT) LTD

STATEMENT OF CASH FLOWS
YEAR ENDED 31 MARCH, 2025

	Notes	31 March 2025		31 March 2024	
		LKR	**Rs Lacs**	LKR	Rs Lacs
Cash Flows from/(used in) Operating Activities					
Profit/(Loss) before Tax		**5,67,34,182**	**161.14**	(5,20,10,974)	(144.35)
Adjustments for					
Depreciation and Amortisation	4.2	**1,28,750**	**0.37**	24,552	0.07
Amotization of Intangible Assets	5	**65,073**	**0.18**	-	-
Interest Income		**(6,57,455)**	**(1.87)**	(16,92,473)	(4.70)
Operating Profit/(Loss) before Working Capital Changes		**5,62,70,550**	**159.82**	(5,36,78,895)	(148.98)
(Increase) / Decrease in Trade and Other Receivables	7	**15,29,03,444**	**434.28**	(38,04,04,861)	(1,055.77)
Increase / (Decrease) in Trade and Other Payables	10	**7,08,11,396**	**201.12**	4,20,00,682	116.57
(Increase) / Decrease in Lease Receiavble	6	**(92,56,80,346)**	**(2,629.14)**	-	-
(Increase) / Decrease in Inventories		**59,50,19,215**	**1,689.99**	(59,84,40,653)	(1,660.90)
Cash used in Operations		**(5,06,75,740)**	**(143.93)**	(99,05,23,727)	(2,749.07)
Income Tax Paid		**(1,43,65,767)**	**(40.80)**	(4,29,666)	(1.19)
Net Cash used in Operating Activities		**(6,50,41,507)**	**(184.73)**	(99,09,53,393)	(2,750.27)
Cash Flows from/(used in) Investing Activities					
Acquisition of Property, Plant and Equipment	4.1	**-**	**-**	(5,15,000)	(1.43)
Acquisition of Intangible assets	5	**-**	**-**	-	-
Net Cash used in Investing Activities		**-**	**-**	**(5,15,000)**	**(1.43)**
Cash Flows from/(used in) Financing Activities					
Interest Received		**6,57,455**	**1.87**	16,92,473	4.70
Shares Issued		**-**	**-**	98,10,00,000	2,722.64
Net Cash flows from Financing Activities		**6,57,455**	**1.87**	98,26,92,473	2,727.34
Net (Decrease)/Increase in Cash and Cash Equivalents		**(6,43,84,052)**	**(182.87)**	(87,75,919)	(24.36)
Cash and Cash Equivalents at the beginning of the year	8	**14,73,80,509**	**418.59**	15,61,56,428	433.39
Cash and Cash Equivalents at the end of the year	8	**8,29,96,457**	**235.73**	14,73,80,509	409.04

The Notes to the Financial Statements from pages 07 to 17 form an integral part of these Financial Statements.

Exchange Rate : As at 31 Mar 25 is 1 LKR = Rs. 0.2840

Exchange Rate : As at 31 Mar 24 is 1 LKR = Rs. 0.2775

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH, 2025

1. CORPORATE INFORMATION

1.1 General

Thermax Energy & Environment Lanka (Pvt) Ltd ("Company") is a limited liability Company incorporated on 08 August 2017 in accordance with Companies Act No 7 of 2007 and domiciled in Sri Lanka. The registered office of the Company is located at Level 37, West Tower, World Trade Center, Colombo 01.

1.2 Principal Activities and Nature of Operations

The Company is primarily involved into marketing & sales support services to Thermax Ltd and finalize order terms with customers and sell its products/industrial equipment such as boilers, heaters, water and waste water treatment plants, air pollution control equipment, chemicals, absorption chillers, geothermal plants, solar based systems & power plants etc., support customers in installation, commissioning of equipment, sell spare parts and provide after-sales & related services to third-party customers in Sri Lanka. Apart from that Company involved in a business of invests, installs, and operates a utility plant in customer premises and undertakes its comprehensive operation & maintenances along with supply chain management of all consumables including biomass fuels.

1.3 Parent Enterprise and Ultimate Parent Enterprise

The Company's parent undertaking is Thermax Onsite Energy Solution Ltd which is incorporated in India. In the opinion of the directors, the Company's ultimate parent undertaking and controlling party is RDA Holdings Pvt Ltd which is incorporated in India.

1.4 Date of Authorization for Issue

The Financial Statements of Thermax Energy & Environment Lanka (Pvt) Ltd for the period ended 31 March 2025 were authorised for issue in accordance with the resolution of the Board of Directors on 09 May 2025.

2. GENERAL POLICIES

2.1 Statement of Compliance

The financial statements which comprises of the statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in equity and statement of cash flow together with accounting policies and notes have been prepared in accordance with the Sri Lanka Accounting Standards for Small and Medium-sized Entities issued by the Institute of Chartered Accountants of Sri Lanka and the requirements of the Companies Act No. 07 of 2007.

2.2 Basis of Preparation

These financial statements have been prepared in accordance with the Sri Lankan Financial Reporting Standard for Small and Medium-sized Entities (SLFRS for SMEs) issued by the Institute of Chartered Accountants of Sri Lanka.

The functional currency of the company is Sri Lankan Rupees. The financial statements of the company are presented in Sri Lankan Rupees. The financial statements have been prepared on a historical cost basis otherwise indicate.

2.3 Going Concern

The Board has made an assessment of the Company's ability to continue as a going concern and is satisfied that it has the resources to continue in business for the foreseeable future and they do not intend either to liquidate or to cease operations of the Company. Therefore, the financial statements continue to be prepared on a going concern basis.

3. SIGNIFICANT ACCOUNTING POLICIES

The principal accounting policies applied in the preparations of the financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

3.1 Foreign Currency Translations

The Financial Statements are presented in Sri Lanka Rupees, which is the Company's functional and presentation currency. Transactions in foreign currencies are initially recorded at the functional currency rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are retranslated at the functional currency rate of exchange ruling at the reporting date. All differences are taken to profit or loss. Non monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates as at the dates of the initial transactions. Non monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined.

3.2 Taxation

a) Current Tax

Current income tax assets and liabilities for the current and prior periods are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted by the reporting date.

The provision for income tax is based on the elements of income and expenditure as reported in the Financial Statements and computed in accordance with the provisions of the relevant tax legislations.

b) Sales Tax

Revenues, expenses and assets are recognized net of the amount of sales tax except where the sales tax incurred on a purchase of assets or service is not recoverable from the taxation authorities in which case the sales tax is recognized as a part of the cost of the asset or part of the expense items as applicable and receivable and payable that are stated with the amount of sales tax included. The amount of sales tax recoverable and payable in respect of taxation authorities is included as a part of receivables and payables in the Balance Sheet.

c) Deferred Taxation

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date. Deferred tax liabilities are recognized for all taxable temporary differences.

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

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 utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized 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 assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current income tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

3.3 Cash and Cash Equivalents

Cash and cash equivalents are cash in hand demand deposits readily convertible to known amounts of cash and subject to insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents consist of cash in hand and deposits in banks net of outstanding bank overdrafts.

3.4 Inventories

Inventories are measured at the lower of cost and net realisable value. The general basis on which cost is determined is:

Raw Materials	- At purchase cost
Finished Goods and Work-in-Progress	- At the cost of direct materials, direct labour and a relevant proportion of manufacturing overheads based on normal operating capacity

At each reporting date, inventories are assessed for impairment by comparing the carrying amount of each item of inventory (or group of similar items) with its selling price less costs to complete and sell. If an item of inventory (or group of similar items) is impaired, its carrying amount is reduced to selling price less costs to complete and sell and an impairment loss is recognized immediately in profit or loss.

3.5 Property, Plant and Equipment

3.5.1 Recognition and measurement

Plant and equipment is stated at cost, excluding the costs of day to day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the plant and equipment when that cost is incurred, if the recognition criteria are met.

3.5.2 Derecognition

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 derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement in the year the asset is derecognised.

3.5.3 Depreciation

Depreciation is recognised in the profit or loss on a straight-line basis over the estimated useful lives of each part of an item of Property, Plant and Equipment, since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset.

The estimated useful lives for the current periods are as follows:

Computer & Software	04 Years
Furniture & Fittings	04 Years

Depreciation of an asset begins when it is available for use and ceases at the earlier of the dates on which the asset is classified as held for sale or is derecognized.

3.6 Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

3.7 Defined Benefit Obligations

3.7.1 Defined Contribution Plan

Employees are eligible for Employees' Provident Fund Contributions and Employees' Trust Fund Contributions in line with the respective statutes and regulations in Sri Lanka. The Company contributes 12 % and 3% of gross emoluments of employees to Employees' Provident Fund and Employees' Trust Fund respectively.

In addition to above, The Company also contributes 8% of gross emoluments of The Country Manager to Employee's Provident Fund.

3.7.2 Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using interest rates that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related liability.

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Any changes in these assumptions will impact the carrying amount of defined benefit obligations.

Provision for retirement benefits payable to employee under the Payment of Gratuity Act No.12 of 1983 has not been made in the accounts since the number of employees of the Company not exceeded 15 as at 31st March 2025.

3.8 Stated Capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of ordinary shares are recognised as a deduction from equity, net of any tax effects.

3.9 Lease Receivable

Boiler is placed in third parties to purchase reagents necessary for such asset with monthly minimum commitment value through finance lease arrangement. Finance lease assets are reported as receivables at an amount equal to the net investment in the lease. Lease income from finance leases is recognised over the term of the lease based on the effective interest rate method.

3.10 Revenue Recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services.

The Company revenue relates to providing marketing & sales support services to Thermax Ltd, India. Revenue from contract is recognized based on the terms in the related contracts and is recognized as the services are performed.

3.10.1 Interest Income

Interest income is recognised in the Statement of Profit or Loss as it accrues and is calculated by using the effective interest rate method.

3.11 Expenses

Expenses are recognized in the Income Statement on the basis of a direct association between the cost incurred and the earning of specific items of income. All expenditure incurred in the running of the business and in maintaining the property, plant & equipment in a state of efficiency has been charged to income statement.

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH, 2025

4 PROPERTY, PLANT AND EQUIPMENT	Balance As at 01.04.2024	Additions/ Revaluation	Disposals	Balance As at 31.03.2025
4.1 Gross Carrying Amounts	Rs.	Rs.	Rs.	Rs.
At Cost				
Computers & Software	1,33,500	-	-	1,33,500
Furniture & Fittings	5,15,000	-	-	5,15,000
Total Gross Carrying Amount	**6,48,500**	**-**	**-**	**6,48,500**

4.2 Depreciation	Balance As at 01.04.2024	Charge for the year	Disposals/ Transfers	Balance As at 31.03.2025
At Cost	Rs.	Rs.	Rs.	Rs.
Computers & Software	1,33,500	-	-	1,33,500
Furniture & Fittings	21,458	1,28,750	-	1,50,208
Total Depreciation	**1,54,958**	**1,28,750**	**-**	**2,83,708**

4.3 Net Book Value of Assets	2025	2024
	Rs.	Rs.
At Cost		
Computers & Software	**-**	-
Furniture & Fittings	**3,64,792**	4,93,542
Total Carrying Amount of Property, Plant and Equipment	**3,64,792**	4,93,542

4.4 During the year, the Company acquired Property, Plant and Equipment to the aggregate value of Nil (2024 - 515,000). Cash payments amounting to Nil (2024 - 515,000).

5. INTANGIBLE ASSETS

	2025	2024
	Rs.	Rs.
Computer Software - Cost		
Balance at the Beginning of the Year	**-**	-
Additions during the Year	**67,86,196**	-
Balance at the End of the Year	**67,86,196**	-
Computer Software - Cost		
Balance at the Beginning of the Year	**-**	-
Charge for the year	65,073	-
Balance at the End of the Year	**65,073**	-
Net Book Value	**67,21,123**	-

6. LEASE RECEIVABLE

	2025	2024
	Rs.	Rs.
Balance at the Beginning of the Year	-	-
Addition During the Period	**96,50,23,971**	-
Interest Income	**7,69,06,057**	-
Payment Received	**(11,62,49,682)**	-
Balance at the End of the Year	**92,56,80,346**	-

	2025	2024
	Rs.	Rs.
Current	22,74,94,812	-
Non- Current	**69,81,85,534**	-
	92,56,80,346	-

THERMAX ENERGY & ENVIRONMENT LANKA (PVT) LTD

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH, 2025

7. TRADE AND OTHER RECEIVABLES

		2025	2024
		Rs.	Rs.
Trade Receivable	- Related Party (Note 7.1)	**39,05,899**	21,84,413
	- Other	**15,83,30,573**	-
Other Receivable	- Related Party (Note 7.2)	**88,13,211**	33,77,16,196
	- Other	**7,18,52,002**	5,61,04,736
		24,29,01,685	39,60,05,345

7.1 TRADE AND OTHER RECEIVABLES

		2025	2024
	Relationship	**Rs.**	Rs.
Thermax Limited - India	Affiliate Company	**39,05,899**	21,84,413
		39,05,899	21,84,413

7.2 Other Receivables from Related Parties

		2025	2024
	Relationship	**Rs.**	Rs.
Thermax Limited - India	Affiliate Company	**-**	33,77,16,196
Thermax Onsite Energy Solutions Limited	Affiliate Company	88,13,211	-
		88,13,211	33,77,16,196

6. CASH AND CASH EQUIVALENTS IN THE CASH FLOW STATEMENT

Components of Cash and Cash Equivalents	2025	2024
	Rs.	Rs.
Favorable Cash and Cash Equivalent Balances		
Cash and Bank Balances	**8,29,96,457**	12,40,33,221
Short Term Deposits (Note 8.1)	**-**	2,33,47,288
	8,29,96,457	14,73,80,509
Unfavorable Cash and Cash Equivalent Balances		
Bank Overdrafts	**-**	-
Total Cash and Cash Equivalents for the Purpose of Cash Flow Statement	**8,29,96,457**	14,73,80,509

8.1 Short Term Investments

	2024	2023
	Rs.	Rs.
Call Deposits	**-**	2,00,00,000
Interest Receivable on Fixed Deposits & Call Deposits	**-**	33,47,288
	-	2,33,47,288

9. STATED CAPITAL

	2025		2024	
	Number	**Rs.**	**Number**	**Rs.**
Fully Paid Ordinary Shares	113,430,000	1,134,300,000	113,430,000	1,134,300,000
	113,430,000	1,134,300,000	113,430,000	1,134,300,000

10. TRADE AND OTHER PAYABLES

		2025	2024
		Rs.	Rs.
Trade Payable		**4,68,14,642**	-
Other Payable	- Related Party (Note 10.1)	**1,55,29,072**	-
	- Other	**2,19,77,138**	4,21,35,407
		8,43,20,852	4,21,35,407

10.1 Other Payables to Related Parties

		2025	2024
	Relationship	**Rs.**	Rs.
Thermax Onsite Energy Solutions Limited	Affiliate Company	**1,55,29,072**	-
		1,55,29,072	-

NOTES TO THE FINANCIAL STATEMENTS
YEAR ENDED 31 MARCH, 2025

10.2. Other Non Current Liabilities

	2025	2024
	Rs.	Rs.
Trade Deposit	**1,21,86,504**	-
Prepaid Lease rental	**2,32,25,643**	-
	3,54,12,148	-

11. REVENUE

	2025	2024
	Rs.	Rs.
Marketing and Sales Supporting Fees	**85,30,112**	2,17,96,591
Revenue from Operation	**27,71,82,645**	-
Domestic Sales - Projects	**96,50,23,971**	-
Interest Income on Lease Receivables	**7,69,06,057**	-
	1,32,76,42,785	2,17,96,591

11. REVENUE

	2025	2024
	Rs.	Rs.
Marketing and Sales Supporting Fees	**85,30,112**	2,17,96,591
Revenue from Operation	**27,71,82,645**	-
Domestic Sales - Projects	**96,50,23,971**	-
Interest Income on Lease Receivables	**7,69,06,057**	-
	1,32,76,42,785	2,17,96,591

12. OTHER INCOME

	2025	2024
	Rs.	Rs.
Exchange Gain/(Loss)	**30,29,260**	(4,84,82,188)
Other Operative Income	**87,73,776**	-
	1,18,03,036	(4,84,82,188)

13. FINANCE INCOME / EXPENSES

13.1 Finance Income

	2025	2024
	Rs.	Rs.
Interest Income	**6,57,455**	16,92,473
	6,57,455	16,92,473

13.2 Finance Expenses

	2025	2024
	Rs.	Rs.
Overdraft Interest	**5,40,969**	-
Unwinding of Discount	**31,00,711**	
	36,41,680	-

14. TAXATION

	2025	2024
	Rs.	Rs.
Tax expense for the year (14.1)	**49,96,720**	-
Deferred Tax Charge (14)	**2,43,25,745**	(1,58,12,768)
Income tax expense reported in the Income Statement	**2,93,22,465**	(1,58,12,768)

14.1 A reconciliation between the tax expense and the product of taxable profit multiplied by the statutory tax rate is as follows:

	2025	2024
	Rs.	Rs.
Accounting (Loss)/Profit before tax	**5,67,34,182**	(5,20,10,974)
Aggregate of Disallowed items	**3,78,50,415**	4,85,76,841
Aggregate of Allowed items	**(2,74,07,070)**	(1,06,300)
Aggregate of Gains from realization of Business Assets - Realized Gains	**(3,02,72,177)**	(1,87,68,676)
Aggregate of Accounting Profit on realization of Business Assets	**-**	-
Income from other sources	**(4,52,712)**	(11,80,233)
Taxable Profit (loss)from Trade and Business	**3,64,52,637**	(2,34,89,342)
Investment Income	**4,52,712**	11,80,233
Utilization of Tax Losses during the Period	**(2,02,49,616)**	-
Taxable Income	**1,66,55,733**	(2,23,09,109)
Income tax @ 30%	49,96,720	-
Total Income Tax	**49,96,720**	-

15. INCOME TAX (RECEIVABLE)/PAYABLE

	2025	2024
	Rs.	Rs.
Income tax (Receivable)/Payable		
At the beginning of the year	**(4,17,193)**	(2,63,712)
Provision made during the year	**49,96,720**	-
Under Provision of Income Tax	**-**	2,76,185
Payments made during the year	**(1,43,65,767)**	(4,29,666)
WHT Set-Off	**(2,00,216)**	-
Balance at the end of the year	**(99,86,456)**	(4,17,193)

16. DEFERRED TAX (ASSET)/LIABILITY

	2025	2024
	Rs.	Rs.
Balance as at 01st April	**(1,58,12,768)**	-
Provision made during the Year	**2,43,25,745**	(1,58,12,768)
Balance as at 31st March	**85,12,977**	(1,58,12,768)

The recognized deferred tax asset is attributable to the following

As at 31 March	2025		2024	
	Temporary Difference Rs.	**Tax Effect Rs.**	Temporary Difference Rs.	Tax Effect Rs.
On Property, Plant and Equipment	**(1,12,281)**	**(33,684)**	81,542	24,463
On Accumulated tax Loss	**(17,83,308)**	**(5,34,992)**	(2,23,09,109)	(66,92,733)
On Unrealized Exchange Difference Gain/(Loss)	**3,02,72,177**	**90,81,653**	(3,04,81,659)	(91,44,498)
	2,83,76,589	**85,12,977**	(5,27,09,226)	(1,58,12,768)

17. COMMITMENTS AND CONTINGENCIES

The Company does not have commitments and contingencies as at Reporting date.

18. ASSETS PLEDGED

The Company does not have asset pledged as at Reporting date.

19. EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

There have been no material events occurring after the Reporting Date which require adjustment to or disclosure in the Financial Statements.

20. RELATED PARTY DISCLOSURE

Nature of Transaction	Thermax Limited India Affiliated Company		Thermax Onsite Energy Solutions Limited Affiliated Company		Total	
	2025	2024	**2025**	2024	**2025**	2024
	Rs.	Rs.	**Rs.**	Rs.	**Rs.**	Rs.
As at 01 April	**33,99,00,581**	1,51,74,478	**-**	-	**33,99,00,581**	1,51,74,478
Receipts	**(70,28,189)**	(3,32,36,792)	**-**	-	**(70,28,189)**	(3,32,36,792)
Marketing and Sales Supporting Services	**87,62,020**	2,19,92,318	**-**	-	**87,62,020**	2,19,92,318
Advance payment	**-**	91,65,33,665	**88,13,211**	-	**88,13,211**	91,65,33,665
Shipments during the year	**(35,38,82,977)**	(53,20,92,549)	**-**	-	**(35,38,82,977)**	(53,20,92,549)
Purchasing of Intangible Assets	**-**	-	**(1,55,29,072)**	-	**(1,55,29,072)**	-
Exchange Gain / Loss	**1,61,54,464**	(4,84,70,539)	**-**	-	**1,61,54,464**	(4,84,70,539)
Balance as at 31 March	**39,05,899**	33,99,00,581	**(67,15,861)**	-	**(28,09,962)**	33,99,00,581

20.1 Transactions with Key Management Personnel of the Company

The key management personnel of the company are the members of its Board of Directors and its Country Manager.

Key Management Personnel Compensation

	2024	2023
	Rs.	Rs.
Transactions with Key Management Personnel		
Short Term Benefits	**81,71,834**	53,96,910
Performance Incentives	**5,12,652**	15,99,559
Post Employment Benefits	**10,06,987**	20,80,972

21. FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is mainly exposed to foreign currency risk, credit risk, Recoverable Risks, Liquidity Risks, operational risk, & Compliance Risk .

22. FINANCIAL RISK MANAGEMENT

Foreign exchange risk

The Company's exposure to foreign exchange risk is significant as its main income is through foreign currency transactions. Company's one and only customers is denominated in United States Dollar . Hence, the element of risk is generated through the translation of such transactions into the reporting currency, i.e. Sri Lankan Rupees. Therefore, any form of fluctuation in the Exchange Rate will have an impact on the company which resulted in losses to the company.

The Company manages its foreign currency risk by giving shorter credit term to its one and only customer to avoid severe exchange losses.

NOTES TO THE FINANCIAL STATEMENTS YEAR ENDED 31 MARCH, 2025

Credit risk

The Company does not face any credit risk as it does not have any receivables with outside other than its group of companies.

Trade Receivables

Trade Receivables is from Related Party, Hence, no risk associated with it as the amounts are received accordingly to the credit period given.

Liquidity risk

The company is assured of any financial support from its immediate parents in case if they fall due to meet its obligations hence enabling them to continue their operation as a going concern. However, the company uses the above option only as a last resort. The company tries to manage its liquidity through its recoveries alone.

Operational Risk

The Board of Directors have the overall responsibility for the establishment and oversight of the Company's risk management framework, which includes developing and monitoring the Company's risk management policies.

Compliance Risk

Compliance risk is defined as the potential financial loss or other damages arising from the failure to adhere to any law or regulatory requirement applicable to the Company, such as the Company's Act of 07 of 2007, Sri Lanka Accounting and Audit Standards, guidelines set by Inland Revenue Department and Board of Investment Sri Lanka.

DETAILED EXPENDITURE STATEMENTS YEAR ENDED 31 MARCH 2025.

Statement - 1

	2025	2024
	Rs.	Rs.
ADMINISTRATIVE EXPENSES		
Salaries & Wages	**81,04,402**	1,26,81,406
EPF Expenses	**12,42,969**	10,49,284
ETF Expenses	**2,43,132**	1,85,698
Performance Incentive	**8,26,545**	-
Allowance	**-**	5,06,597
One Time Lump Sum Payment	**-**	7,63,080
Accounting Charges	**9,63,900**	7,56,000
Accommodation Expense	**91,200**	-
Audit Fee	**8,50,000**	2,97,868
Bank Charges	**1,31,919**	87,823
BOI Fees	**1,77,908**	1,61,884
Communication Expense	**1,26,827**	92,701
Depreciation	**1,28,750**	24,552
Amortization of Intangible assets	**65,073**	-
Food Expense	**11,53,498**	3,88,770
Foreign Travelling	**48,66,476**	12,56,148
Fuel Expense	**64,97,082**	-
House Rent	**6,00,000**	13,20,000
Legal & Professional Fees	**60,83,224**	3,85,875
Local Conveyance	**6,69,806**	-
Miscellaneous Expenses	**6,00,101**	4,84,662
Payroll Processing Fees	**3,22,568**	3,02,200
Vehicle Rent	**-**	5,50,000
Insurance	**64,505**	42,334
Meeting Expense	**41,538**	-
Office Rent	**2,59,911**	1,84,000
One-Time Lump Sum Payment	**13,561**	-
Stamp Duty Expense	**300**	250
Local Conveyance Expense	**-**	8,00,820
Under Provision of Professional Fee	**37,790**	-
Secretarial Charges	**1,76,776**	7,28,429
Visa Expense	**-**	3,98,358
VAT Expenses	**-**	1,61,380
SSCL Expenses	**-**	33,779
Gratuity	**-**	14,95,871
Consumables	**25,63,513**	-
APIT Expense	**13,84,012**	-
Site Expenses	**80,75,459**	-
Educational Expenses	**-**	3,64,061
LC Guarantee Charges	**23,67,998**	15,14,021
	4,87,30,743	2,70,17,850

DANSTOKER POLAND SP. ZO.O.

Management Board
Mahesh Channakeshaviah Bukinkere (Chairman)
Peter Overgaard (Vice Chairman of the Board)
Sanjay Reddy (Board Member)

Registered Office
Ostrowiec Św. ul. Kolejowa 20

Auditors
Grant Thornton Polska P.S.A.
ul. Abpa Antoniego Baraniaka 88 E
61-131 Poznań
Polska

Chief Operating Officer
Grzegorz Borkowski

In charge of the books of account
Michał Musiał

Bankers
mBank

Management's declaration

In accordance with Article 52 of the Accounting Act of 29 September 1994 with subsequent amendments, the Management Board of the Company Danstoker Poland Sp. z o.o. presents its financial statements for the financial year ended March 31st 2025, consisting of:

- the balance sheet prepared as at March 31st 2025,
- the profit and loss account for the period April 1st 2024 to March 31st 2025,
- the statement of cash flows for the period April 1st 2024 to March 31st 2025, the statement of changes in shareholders' equity for the period. April 1st 2024 to March 31st 2025,
- additional information, consisting of introduction and notes to the financial statements.

The financial statements have been prepared in accordance with the presented provisions of the Accounting Act, and give a true and fair view of the Company's financial position and financial result.

Company representatives

Mahesh Bukinkere

President of the Board

Peter Overgaard

Vice-President of the Board

Sanjay Reddy

Member of the Board

Independent Auditor's Report

For the Shareholders of Danstoker Poland Spółka z ograniczoną odpowiedzialnością

Opinion

We have audited the annual financial statements of Danstoker Poland Sp. z o.o. (the Company) with its registered office in Ostrowiec Świętokrzyski, 20 Kolejowa street, which comprise the introduction to the annual financial statements, balance sheet as of March 31, 2025, the profit and loss account, statement of changes in equity, cash flow statement for the financial year then ended, additional notes and explanations.

In our opinion, the accompanying annual financial statements:

- give a true and fair view of the financial position of the Company as of March 31, 2025 and of its financial performance and of its cash flows for the financial year then ended in accordance with the Accounting Act of September 29, 1994 (the Accounting Act) and adopted accounting principles (policy),
- were prepared on the basis of properly maintained books of account,
- comply with the laws affecting the content and form of the annual financial statements and the provisions of the Company's articles of association.

Basis of Opinion

We conducted our audit in accordance with:

- the Act of May 11, 2017 on statutory auditors, audit firms, and public supervision (the Act on Statutory Auditors) and
- National Standards on Auditing in the wording of International Standards on Auditing adopted by resolutions of the National Council of Statutory Auditors and the Council of Polish Agency for Audit Oversight (NSA).

Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Annual Financial Statements section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code) adopted by the National Council of Statutory Auditors' resolution together with the ethical requirements that are relevant to our audit of the financial statements in Poland. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of Management Board for the Annual Financial Statements

The Management Board of the Company is responsible for the preparation, on the basis of properly maintained books of account, of these annual financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Act, regulations issued on the basis thereof, adopted accounting principles (policy), other legal regulations, and the Company's articles of association. The Management Board of the Company is also responsible for such internal control as the Management Board determines is necessary to enable the preparation of annual financial statements that are free from material misstatements, whether due to fraud or error.

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

In accordance with the Accounting Act, the Management Board of the Company is obliged to assure compliance of the annual financial statements with the requirements of the Accounting Act.

Auditor's Responsibilities for the Audit of the Annual Financial Statements

Our objectives are to obtain reasonable assurance about whether the annual 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 NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements.

The scope of the audit does not include assurance on the future viability of the Company or on the efficiency or effectiveness with which the Management Board has conducted or will conduct the affairs of the Company.

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

- Identify and assess the risks of material misstatement of the annual 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 the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management Board.
- Conclude on the appropriateness of the Management Board'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 annual 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 annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Other Information including the Report on the Company's operations

The other information comprises the Report on the Company's operations for the financial year ended March 31, 2025. The Management Board of the Company is responsible for the preparation of the Report on the Company's operations in accordance with the Accounting Act and other legal regulations. The Management Board of the Company is obliged to assure compliance of the Report on the Company's operations with the requirements of the Accounting Act.

Our opinion on the annual financial statements does not cover the Report on the Company's operations and we do not express any form of assurance conclusion thereon that results from NSAs. In connection with our audit of the annual financial statements, our responsibility is to read the Report on the Company's operations and, in doing so, consider whether it is materially inconsistent with the annual financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of the Report on the Company's operations, we are required to report that fact. Additionally, according to the Act on Statutory Auditors, our responsibility is to express an opinion on whether the Report on the Company's operations has been prepared in accordance with legal regulations and whether information included therein is consistent with the accompanying annual financial statements.

In our opinion, the Report on the Company's operations has been prepared in accordance with the applicable legal regulations, i.e. Article 49 of the Accounting Act, and information included therein is consistent with the accompanying annual financial statements. Moreover, taking into account our knowledge of the Company and its environment obtained during the audit of the annual financial statements, we state that we have not identified any material misstatements in the Report on the Company's operations.

Przemysław Zawadzki

Statutory Auditor No. 11337

Key Audit Partner performing the audit on behalf of

Grant Thornton Polska Prosta spółka akcyjna,

Poznań, ul. Abpa Antoniego Baraniaka 88 E, Audit Firm No. 4055

Warsaw, May 9, 2025.

DANSTOKER POLAND SP. ZO.O.

MANAGEMENT REPORT ON THE COMPANY'S ACTIVITIES FOR THE FINANCIAL YEAR ENDED 31.03.2025

I. Legal and organizational Status

Danstoker Poland Sp. z o.o. (hereinafter referred to as "the Company"), with its registered office in Ostrowiec Świętokrzyski, 20 Kolejowa Street, is a limited liability company incorporated under the Commercial Companies Code. The Company is registered in the National Court Register (Register of Entrepreneurs) maintained by the District Court in Kielce, 10th Commercial Division of the National Court Register, under registration number 0000652298.

The Company has no branches.

The sole shareholder and owner of 100% of the total shares is Danstoker A/S, based in Herning, Denmark.

During the financial year, there were no amendments made to the Company's Articles of Association.

There were no changes in the composition of the Company's Management Board during the financial year. Current Members of the Management Board:

- Mahesh Bukinkere,
- Peter Overgaard,
- Sanjay Reddy.

II. Material events occurring in the financial period and after the financial period, affecting the Company's operations and organizational matters

The Company notes the suspension or postponement of investment projects involving the construction of new or modernization of existing heating installations primarily fueled by biomass. This impacted the financial year ending March 31, 2025, resulting in a decline in sales revenue. Despite the revenue decrease, sales of peripheral components for biomass boilers enabled the Company to achieve a positive financial result. The Company anticipates a recovery in this market segment in the upcoming year.

For gas boilers, which constitute a significant part of the product portfolio, the Company expects fewer orders. Plans include the development of new technical solutions aligned with current customer needs and the energy transition. As of the balance sheet date, the order backlog amounted to PLN 20 million.

The Company's operations continue to be financed by a loan from its sole shareholder, Danstoker A/S. Due to high interest rates, the cost of servicing the loan is substantial (PLN 810 thousand in interest payments). During the financial year, the Company settled the loan and interest payments totaling PLN 3.736 million.

III. Foreseen Company development

Danstoker Poland Sp. z o.o. reaffirms its plan to become a leader in boiler production in Poland and Eastern Europe. With the activation of European funds for the energy transition, the Company anticipates expanding its offerings in electric boilers and energy storage systems.

The Company is strengthening its market position and enhancing its brand recognition through the Danstoker and Thermax brands.

IV. Achievements in research and development

The Company does not conduct research in the field of technological development.

V. Current and forecasted financial situation

During the financial year the Company recorded a profit of PLN 1.379 tsd. Net revenues from the sale of products, services and goods reached PLN 38.950 tsd., including revenues from the group of PLN 12.996 tsd. The sales plan for the next year assumes an increase in sales revenue and further improvement of the net financial result.

Current financial situation (data in thousands of PLN):

1) Balance = 36.798
2) Net profit = 1.379
3) Achieved revenues: 42.960 comprises of:
   a) Net revenue from sales and equivalent: 40.600
   b) Other operating revenue: 2.361
4) Costs: 43.484 comprises of:
   a) Operating costs: 37.518
   b) Other operating costs: 2.905
   c) Financial costs: 964

VI. Acquisition of Treasury Shares

The company has not purchased own share during financial year.

VII. Information on financial instruments

The information is included in the notes to the financial statements in Notes 52-56.

VIII. Financial indicators

	31.03.2025	31.03.2024
ROA %	3,54	9,34
ROE %	18,73	86,99
Return on sales %	3,54	8,37
Current ratio	2,60	2,13
Quick ratio	1,04	0,96
Days Sales Outstanding	27,85	28,97
Equity to fixed assets ratio %	35,49	30,07

Defined:

$$ROA\,\% = \frac{net\ profit}{average\ assets\ value\ in\ the\ year}$$

$$ROE\,\% = \frac{net\ profit}{average\ value\ of\ the\ equity\ in\ the\ year}$$

$$Return\ on\ sales\,\% = \frac{net\ profit}{sales\ of\ products\ and\ goods}$$

$$Current\ ration = \frac{current\ assets}{short\ term\ liabilities}$$

$$Quick\ ratio = \frac{current\ assets\ (without\ \text{more than 12 months}) - intentories}{short\ term\ liabilities\ (without\ \text{more than 12 months})}$$

$$Days\ Sales\ Outstanding = \frac{average\ receivables\ balance\ in\ the\ year\ x\ 365\ days}{sales\ of\ products\ and\ goods}$$

$$Equity\ to\ fixed\ assets\ ratio\ \% = \frac{equity + longterm\ provisions}{fixed\ assets}$$

IX. Non-financial indicators

Number of accidents at work: 3, individual, non-serious.

.....
Mahesh Bukinkere
President of the Board

.....
Peter Overgaard
Vice-President of the Board

.....
Sanjay Reddy
Member of The Board

May 8th 2025

Additional Information

1. General information

The financial statements of Danstoker Poland Spółka z ograniczoną odpowiedzialnością (herainafter: "the Company"), with its registered office in Ostrowiec Świętokrzyski ul. Kolejowa 20, have been prepared in accordance with the Accounting Act of 29 September 1994 and the Code of Commercial Partnerships and Companies of 15 September 2000.

The Company's activities consist of:

Designing and production of boilers, high pressure tanks, heat exchangers and steel constructions.

Classification of the Company's activities in accordance with PKD [Polish Classification of Activities] 2007:

Core activity:

- Production of heaters and central heating boilers.

Secondary activities:

- Production of steel structures and their parts
- Production of other tanks, cisterns, and metal containers
- Metal forging and surfacing metals with various coatings
- Mechanical machining of metal elements
- Production of other metal finished goods not classified elsewhere
- Operations in the scope of professional design
- Operations in the scope of engineering and related technical advisory
- Construction of water and waste water, heating, gas and cooling systems.

On 14th of December 2016 the company entered in the Business Register of the National Court Register (Krajowy Rejestr Sądowy KRS) in number KRS 0000652298.

In accordance with its statute/articles of association, the Company has been formed for an unspecified time. The duration of the company is unlimited.

The Company's Management Board comprises:

- Mahesh Bukinkere,
- Peter Overgaard,
- Sanjay Reddy.

2. Presentation of financial statements

The Company is presenting its financial statements for the financial year from April 1st 2024 to March 31st 2025.

The financial statements have been prepared on the assumption that the Company will continue as a going concern in the foreseeable future of no less than a year from the balance sheet date with no reduction of scope.

The company has been assured by its owner on further supporting the business. With that there are no other threats to pursue the operations.

The Company is presenting additional information to the balance sheet in accordance with Appendix No. 1 to the Accounting Act.

3. Comparability of data

This financial statement consists of a balance sheet presenting the financial position as of March 31, 2025 and the end of the previous financial year (March 31, 2024), the financial result in the profit and loss account, changes in equity in the statement of changes in equity, cash inflows and outflows in the cash flow statement for both the current and previous financial years. Pursuant to the Act of December 6, 2024 amending the Accounting Act, the Act on Statutory Auditors, Audit Firms and Public Oversight, and certain other acts, revenues from material sales and the value of materials sold are presented under other operating activities. Details can be found in Notes 25-28. The profit and loss statement includes comparative data for the previous year.

4. Accounting methods

The financial statement has been prepared in accordance with the requirements of the Accounting Act of September 29, 1994, applicable to entities continuing their operations.

The accounting methods adopted by the Company are applied continuously and are consistent with the accounting methods applied in the previous financial year.

The Company prepares its profit and loss account by kind.

In its financial statements the Company discloses economic events in accordance with their economic substance.

The Company's financial result for the financial year includes all revenue earned by and due to the Company, as well as all the costs associated with such revenue in accordance with the accrual method, the matching concept and the prudence principle.

4.1. Profit and loss account

4.1.1. Revenue

Sales revenue includes net amounts undoubtedly due or received as a result of sales, i.e. amounts reduced by applicable output value added tax (VAT), recorded in the periods to which they pertain. Revenue from the sale of finished products, goods for resale and raw materials is recognized in the profit and loss account when the significant risks and benefits of their ownership are transferred onto the buyer.

All costs incurred due to the performance of an unfinished service covered by a contract with a performance period not longer than 6 months until the completion of the contract, are presented as work in progress. Orders with a performance period of more than 6 months are accounted for as long-term contracts.

In accordance to Article 34a paragraph. 2 of the Accounting Act, revenues from unfinished service, including construction services, in the period from the conclusion of the contract to the balance sheet date - after deduction of revenues that influenced the financial result in previous reporting periods - are determined in proportion to the stage of its advancement. The stage of advancement of the service is measured by the share of costs incurred from the date of conclusion in the total costs of the service.

4.1.2. Costs

The Company records its costs by nature. The costs of finished products, goods for resale and raw materials sold include costs directly associated with them, as well as a justified portion of indirect costs.

The portion of indirect production costs that does not correspond to the level of such costs when normal production capacity is utilized constitutes a cost of the period in which it was incurred.

In addition, the Company's financial result is affected by:

- Other operating revenue and costs indirectly related to the Company's operations, such as, among others, profits and losses from the sale of non-financial fixed assets, revaluation of non-financial assets, formation and release of provisions for future risks, penalties, fines and damage compensation, the receipt or presentation of donations.
- Financial revenue from dividends (shares in profits), interest, profits from the sale of investments, revaluation of investments, foreign exchange gains.
- Financial costs of interest, losses on the sale of investments, revaluation of investments, foreign exchange losses.

4.1.3. Taxation

The Company's gross financial result is adjusted by:

- its current corporate income tax liabilities,
- changes in deferred income tax assets and provisions for deferred income tax

Deferred tax – the Company does not apply the simplifications arising out of Article 37 par. 10 of the Accounting Act, which make it possible to omit the calculation of deferred income tax assets and provisions for deferred income tax.

4.1.4. Current income tax

Current income tax – the Company

- is subject to the provisions of the Corporate Income Tax Act,
- is not exempt from corporate income tax based on Article 17 of the Corporate Income Tax Act.

The Company's current corporate income tax liabilities are calculated in accordance with binding tax regulations.

4.1.5. Deferred income tax

Due to temporary differences in the value of the assets and liabilities shown in the books of account and their tax value, as well as the tax losses that may be deducted in the future, the Company creates a provision for deferred income tax and determines the value of deferred tax assets relating to the income tax of which it is a payer.

Deferred income tax assets are set at an amount expected to be deducted from income tax due to negative temporary differences, which will reduce the future tax base, as well as any deductible tax loss determined in accordance with the prudence principle.

Provisions for deferred income tax are created at the amount of income tax that will be payable in the future due to the existence of positive temporary differences, i.e. differences that will increase the tax base in the future.

The deferred portion disclosed in the profit and loss account constitutes the difference between the balance of provisions for deferred income tax and deferred income tax assets as at the end and beginning of the reporting period.

Provisions for deferred income tax and deferred income tax assets relating to transactions settled against equity are charged to equity.

The Company has adopted a method of not offsetting deferred income tax assets and provisions for deferred income tax.

The Company has adopted the following method for the reversal of temporary differences:

- if corporate income tax rates are different in the different financial years, the Company adopted the FIFO method in the reversal of temporary differences.

The amount of provisions for deferred income tax and deferred income tax assets is determined by taking into account the income tax rates applicable in the year in which the tax liability arose.

4.2. Balance sheet

4.2.1. **Intangible fixed assets** are property rights that may be used economically, with an expected economic useful life of more than a year, held for use for the Company's needs. They are stated at acquisition cost or cost of production for development work, less accumulated amortization and permanent impairment losses.

Intangible fixed assets include in particular

- costs of research and development completed with a positive outcome that will be used in production,
- acquired goodwill,
- copyrights, neighboring rights, licenses, concessions,
- rights to inventions, patents, trademarks, utility models,
- know-how

Intangible fixed assets are amortized using the straight-line method in the period of their expected economic usefulness, using the following rates:

- costs of completed research and development 20%,
- acquired goodwill 20%,
- copyrights, licenses, concessions, trade marks 50%,
- computer software 50%,
- other intangible fixed assets 20%,
- intangible fixed assets with an initial per-item value of no more than 10 thousand zł – amortized on a one-off basis.

If the economic useful life of the results of research and development work cannot be estimated reliably, the amortization period does not exceed 5 years.

4.2.2. **Fixed assets are tangible fixed assets and their equivalents with expected economic useful lives of more than one year, which are complete and may be used for the Company's purposes.** They are stated at acquisition cost, cost of production or revalued amount (after revaluation of assets), less accumulated depreciation and permanent impairment losses.

The acquisition cost and cost of production of fixed assets includes all the costs incurred by the Company for the period of their construction, assembly, adaptation and improvement up to the date on which they are taken over for use.

The acquisition cost or the cost of production of fixed assets includes the costs of the liabilities taken out in order to finance them and the related foreign exchange differences. The costs of the liabilities are decreased by the related revenue.

In accordance with the Accounting Act, the opening value and accumulated depreciation of fixed assets may, based on separate regulations, be subject to revaluation. The net book value of a fixed asset determined as a result of its revaluation should be no higher than its actual value, the writing down of which in the expected period of its further use is economically justified. The most recent revaluation of fixed assets was conducted using the rates announced by the Main Statistical Office (GUS) as at 1 January 1995.

The initial value of a fixed asset, constituting its acquisition cost or cost of production, is increased by the costs of improvements made to the asset, consisting of its reconstruction, expansion or modernization, resulting in its value in use after the improvements being higher than its initial value in use.

Used by the Company for tax purposes are the depreciation rates set forth in the Corporate Income Tax Act dated 15 February 1992, defining the value of tax-deductible depreciation.

Assets with expected useful lives of no more than one year or initial values of no more than 10,0 thousand zł are written off at the moment at which they are given over for use.

Fixed assets are depreciated using the straight-line starting from the month following the month in which they were taken over for use, in the period corresponding to the estimated period of their economic usefulness.

The following depreciation rates are used:

- land in perpetual usufruct 0%
- buildings and constructions 2,5%/10%,
- plant and equipment,

	(excluding computer hardware),	10%/14%/18%,
-	computer hardware,	30%,
-	vehicles,	14%/20%,
-	other fixed assets.	20%.

4.2.3. **Fixed assets under construction** are stated at the total costs directly associated with their acquisition or production, less permanent impairment. Included in the acquisition cost or cost of production of fixed assets under construction are the costs of liabilities taken out to finance them along with the related foreign exchange differences, less the resulting revenue.

4.2.4. **Tangible** components of current assets **are stated at acquisition cost or cost of production no higher than their net realizable price as at the balance sheet date.**

Individual groups of inventory are valued as follows:

Raw materials	purchase price
Semi-finished products and work in progress	cost of production
Finished products	cost of production
Goods for resale	purchase price

Costs of production do not include the following costs:

- arising out of unused production capacity and production losses,
- general administrative costs not associated with bringing the product to the form and place in which it occurs on the valuation date,
- costs of storing finished products and semi-finished products, unless such costs are a part of the production process,
- costs of sales.

In situations justified by the necessity to prepare goods for resale or products for sale, or by a long production process, the acquisition price or production cost is increased by the costs of the liabilities taken out in order to finance the inventory of goods for resale or finished products in the period in which they were being prepared for sale or manufactured, and the related foreign exchange differences, less the related revenue.

Revaluation write-downs of tangible components of current assets made due to their impairment or resulting from their valuation to net realizable prices reduce the value of the items in the balance sheet and are recorded under other operating costs.

Inventory outflow valuation methods:

- assuming that the outflow of asset components is stated consecutively at the prices (costs) of the asset components acquired (produced) first (FIFO),

4.2.5. **Receivables** are stated at amounts due, in accordance with the prudence principle (less revaluation write-downs).

Receivables expressed in foreign currencies are stated as at the balance sheet at the average exchange rate announced for a given currency for that day by the National Bank of Poland.

Foreign exchange differences on receivables expressed in foreign currencies arising on the valuation and payment date are included in, respectively: foreign exchange losses in financial costs, foreign exchange gains in financial revenue. In justified cases they are included in the costs of finished products, services and goods for resale, as well as in the costs of tangible or intangible fixed assets (as an increase or a reduction of such costs, respectively).

4.2.6. **Cash and cash equivalents** are stated at nominal value.

Cash and cash equivalents expressed in foreign currencies are valued as at the balance sheet date at the average exchange rate announced for a given currency for that day by the National Bank of Poland.

4.2.7. **Prepaid expenses** are recognized when the costs incurred relate to future reporting periods.

This item includes the surplus of the costs that have been recorded over the costs that have been invoiced in connection with the realization of long-term contracts. This item is used for paid insurance policies, subscriptions and inerim computer program licences.

4.2.8. **Unpaid share capital** consists of capital contributions that have been declared but not yet made. They are recognized at the value specified in the Company's articles of association/ statute.

4.2.9. **Treasury (own) shares are assets acquired from the shareholders for the purpose of redemption or sale. They are recognized at acquisition cost.**

4.2.10. **Equity** is recognized in the books of account at nominal value by type and in accordance with the provisions of the law and the Company's articles of association/statute.

The Company's **share capital** is listed at the amount specified in the articles of association or statute and entered in the court register.

Reserve capital is formed from the distribution of profits, transfers from the revaluation reserve and share premium reduced by the costs of share issues. The remaining costs of share issues are recorded as financial costs.

Revaluation reserve is a fund created as a result of fixed asset revaluations; the most recent revaluation was conducted as at 1 January 1995. When assets are sold or liquidated, a corresponding part of the revaluation reserve is transferred to the reserve capital. A write-down relating to permanent impairment in the value of assets, which was previously subject to revaluation, reduces the revaluation reserve to the extent to which it corresponds to that fixed asset.

The revaluation reserve is also increased by the effects of revaluating investments included in fixed assets, whereby the value of the investments is increased to their market value. Any decreases in the value of the investments previously revalued to the amount by which the revaluation reserve was increased reduce the value of the revaluation reserve, providing that the revaluation difference had not been settled by the valuation date. The portion of the effects of decreases in the value of investments that exceeds the previously formed portion of the revaluation reserve are included in the financial costs of the reporting period.

4.2.11. **Provisions** are liabilities whose due date or amount are uncertain. Provisions are formed in accordance with a legal or customarily expected obligations, i.e. when there is a high probability that the entity will have to meet its obligations, and the costs or losses that will need to be incurred to meet the obligations are material to such an extent that failure to include them in the financial result of the period in which the obligation arose would result in a material misstatement of the Company's financial position and financial result.

Provisions are included, respectively, in other operating costs or financial costs, depending on the circumstances to which the future liabilities pertain.

4.2.12. **Liabilities** are stated as at the balance sheet date at amounts due, with the exception of liabilities, which in accordance with concluded agreements, are paid through the issue of financial assets other than cash or exchange to financial instruments – which are stated at fair value.

Liabilities with due dates of more than 1 year from the balance sheet date, with the exception of trade payables, are listed under long-term liabilities. The remaining liabilities are listed as short-term.

Liabilities expressed in foreign currencies are stated as at the balance sheet date at the average exchange rate announced for a given currency for that day by the National Bank of Poland.

Foreign exchange differences relating to liabilities expressed in foreign currencies arising as at the valuation and payment date are listed as: foreign exchange losses as financial costs, and foreign exchange gains as financial revenue. In justified cases they are included in the costs of finished products and services, or the acquisition price of goods for resale, as well as the costs of fixed assets or intangibles.

4.2.13. Other accruals

a) Accrued expenses are recognized at the value of the probable liabilities corresponding to the current reporting period.

- Paid time-off accruals
- Audit accruals

b) Deferred income, recognized in accordance with the prudence principle, includes in particular:

- funds received in order to finance the acquisition or production of fixed assets, including assets under construction and research and development work, if in accordance with other regulations they do not increase the Company's equity. The amounts included in deferred income gradually increase other operating revenue, parallel to depreciation/amortization and accumulated depreciation/amortization of fixed assets or research and development financed from those sources,
- negative goodwill,
- the equivalent of the funds received or due from contractors for services that will be performed in future reporting periods.
- Advances received for the delivery of services are presented in the balance sheet under "short-term liabilities to other parties – advances for deliveries".

4.2.14. Valuation of foreign currency transactions

Economic transactions expressed in foreign currencies are recognized in the books of account as at the date of the transaction at the following rate:

1) the foreign exchange rate actually applied on that day, which arises out of the nature of the transaction – with respect to foreign currency sale or purchase transactions and with respect to payments of receivables and payables;

2) the average exchange rate announced by the National Bank of Poland for the day preceding the transaction – with respect to payments of receivables or payables, if the application of the actual exchange rate referred to in point 1 is not justified, and with respect to other transactions.

The following items expressed in foreign currencies are valued as at the balance sheet date:

1) assets (with the exception of shares in subordinated entities valued by equity accounting) and liabilities – at the average exchange rate binding on that day as announced for a given currency by the National Bank of Poland, subject to point 2;

2) cash at entities that buy and sell foreign currencies – at the rate applied at its purchase, no higher however than the average exchange rate announced for the day of the valuation by the National Bank of Poland.

Foreign exchange differences relating to other assets and liabilities expressed in foreign currencies arising as at their valuation and payment date are included in financial revenue or expenses, and in justified cases - in the costs of finished products and services, or the acquisition price of goods for resale, as well as the costs of fixed assets or intangibles.

4.2.15. Financial risk factors and financial risk management – notes to the financial statements

The Company's activities are exposed to the following types of financial risk:

- market risk, including currency risk, interest rate risk and other pricing risk,
- loss of liquidity risk,
- credit risk.

Currency risk

The Company is exposed to changes in foreign exchange rates due to 30 % of turnover coming from EUR. Thus the Company's currency risk is associated primarily with changes in the EUR. Intercompany services depend on DKK exchange rates. Its exposure to risks associated with other currencies is immaterial.

The Company does not manage currency risk.

The Company considers managing currency risk using natural hedges (balancing the revenue and expenses in a given currency), as well as derivative financial instruments, futures and options.

Interest rate risk

The Company has credit and loan payables where interest is calculated based on variable interest rates. Their worth is immaterial from exposure to interest rate risk point of view.

Other pricing risk

The Company is not exposed to significant other pricing risk associated with financial instruments, but there is a pricing risk relating to the prices of the Company's products and raw materials. The Company does not use derivative hedging instruments with regard to pricing risk.

Loss of liquidity risk

The Company is exposed to loss of liquidity risk, defined as a risk of losing the ability to pay its obligations as they become due. The Company limits its loss of liquidity risk using financing of from the parent company (Danstoker A/S).

Credit risk

The Company is exposed to credit risk, defined as a risk that its debtors will not meet their obligations and thus cause the Company to incur losses. The Company undertakes activities aimed at limiting credit risk, consisting of: checking the creditworthiness of its customers, securing collateral (guarantees), bank guarantees, prepayments.

Ostrowiec Świętokrzyski, May 8th 2025

Financial statements prepared by

.....

Michał Musiał

Management Board

.....

Mahesh Bukinkere

President of the Board

.....

Peter Overgaard

Vice-President of the Board

.....

Sanjay Reddy

Member of The Board

Balance Sheet as at 31.03.2025

ASSETS	Note No	31 Mar 2025		31 Mar 2024	
		PLN	Rs Lacs	PLN	Rs Lacs
A. NON-CURRENT ASSETS		**2,26,99,842**	**5,035.10**	2,22,04,354	4,640.55
I. Intangible fixed assets		**-**	**-**	-	-
II. Tangible fixed assets		**2,07,38,041**	**4,599.95**	2,02,18,477	4,225.52
1. Fixed assets		**2,06,58,384**	**4,582.28**	2,02,18,477	4,225.52
a) land (of which in perpetual usufruct)	32	**15,68,582**	**347.93**	15,68,582	327.82
b) buildings and constructions	32	**1,62,73,957**	**3,609.76**	1,67,75,160	3,505.89
c) plant and equipment	32	**22,74,434**	**504.50**	12,67,357	264.87
d) vehicles	32	**3,73,133**	**82.77**	4,78,646	100.03
e) other fixed assets	32	**1,68,278**	**37.33**	1,28,733	26.90
2. Fixed assets under construction	32	**25,092**	**5.57**	-	-
3. Advances for fixed assets under construction		**54,565**	**12.10**	-	-
III. Long-term receivables	6	**-**	**-**	-	-
IV. Long-term investments		**-**	**-**	-	-
V. Long-term prepayments		**19,61,800**	**435.15**	19,85,877	415.03
1. Deferred income tax assets	31	**19,20,986**	**426.10**	19,85,877	415.03
2. Other prepayments	31	**40,814**	**9.05**	-	-
B. CURRENT ASSETS		**1,40,98,551**	**3,127.23**	1,90,35,649	3,978.32
I. Inventory		**84,62,954**	**1,877.18**	1,04,67,957	2,187.73
1. Raw materials	34	**38,22,385**	**847.85**	71,79,686	1,500.50
2. Semi-finished products and work in progress	34	**46,23,257**	**1,025.49**	27,66,698	578.22
3. Finished products	34	**4,507**	**1.00**	2,83,715	59.29
4. Goods for resale	34	**12,805**	**2.84**	10,180	2.13
5. Advances for supplies and services	34	**-**	**-**	2,27,677	47.58
II. Short-term receivables		**31,44,168**	**697.41**	35,56,689	743.32
1. Receivables from related parties		**78,888**	**17.50**	12,38,077	258.75
a) trade receivables, with due dates:		**78,888**	**17.50**	12,38,077	258.75
– within 12 months	6	**78,888**	**17.50**	12,38,077	258.75
2. Receivables from other parties in which the company has invested capital		**-**	**-**	-	-
3. Receivables from other parties		**30,65,280**	**679.92**	23,18,612	484.57
a) trade receivables, with due dates:		**24,05,592**	**533.59**	22,21,191	464.21
– within 12 months	6	**24,05,592**	**533.59**	22,21,191	464.21
b) tax, subsidy, customs, social and health insurance and other public receivables	6	**5,85,599**	**129.89**	80,069	16.73
c) other	6	**74,089**	**16.43**	17,352	3.63
d) receivables in court	6			-	-
III. Short-term investments		**23,14,803**	**513.45**	47,83,398	999.70
1. Short-term financial assets		**23,14,803**	**513.45**	47,83,398	999.70
c) cash and other cash assets		**23,14,803**	**513.45**	47,83,398	999.70
– cash in hand and at bank	1	**23,14,803**	**513.45**	47,83,198	999.65
– other cash		**-**	**-**	200	0.04
IV. Short-term prepayments	31	**1,76,626**	**39.18**	2,27,606	47.57
– of which: assets from unfinished construction contracts		**-**	**-**	-	-
TOTAL ASSETS		**3,67,98,393**	**8,162.33**	4,12,40,003	8,618.87

DANSTOKER POLAND SP. ZO.O.

Balance Sheet as at 31.03.2025

LIABILITIES AND EQUITY	Note No	31 Mar 2025		31 Mar 2024	
		PLN	Rs Lacs	PLN	Rs Lacs
A. EQUITY		**80,55,135**	**1,786.73**	66,75,763	1,395.19
I. Share capital	3	**5,000**	**1.11**	5,000	1.04
II. Reserve capital, of which:	51	**1,70,55,000**	**3,783.00**	1,70,55,000	3,564.38
– share premium	51	**1,70,55,000**	**3,783.00**	1,70,55,000	3,564.38
III. Revaluation reserve, of which:			**-**	-	-
IV. Other reserves, of which:		**4,45,000**	**98.71**	4,45,000	93.00
V. Accumulated profit (loss) from previous years	50	**(1,08,29,233)**	**(2,402.05)**	(1,48,76,389)	(3,109.06)
VI. Net profit (loss) for the year	4	**13,79,368**	**305.96**	40,47,153	845.83
B. LIABILITIES AND COST PROVISIONS		**2,87,43,258**	**6,375.60**	3,45,64,240	7,223.68
I. Cost provisions		**32,24,403**	**715.21**	29,41,330	614.72
1. Provision for deferred income tax	13	**25,97,073**	**576.06**	24,67,756	515.74
2. Provision for retirement and similar benefits		**5,87,749**	**130.37**	-	-
3. Other provisions		**39,580**	**8.78**	4,73,574	98.97
– short-term	13	**39,580**	**8.78**	4,73,574	98.97
II. Long-term liabilities		**1,03,30,641**	**2,291.46**	1,24,94,280	2,611.22
1. To related parties	7	**92,17,373**	**2,044.52**	1,21,43,031	2,537.81
2. To other parties in which the company has invested capital	7	**-**	**-**	-	-
3. To other parties		**-**	**-**	-	-
c) other financial liabilities		**11,13,268**	**246.94**	3,51,249	73.41
III. Short-term liabilities		**54,14,623**	**1,201.03**	89,34,659	1,867.28
1. Liabilities to related parties		**4,72,875**	**104.89**	8,13,831	170.09
a) trade payables with due dates:		**4,72,875**	**104.89**	8,13,831	170.09
– within 12 months	7	**4,72,875**	**104.89**	8,13,831	170.09
b) other	7	**-**	**-**	-	-
2. Liabilities to other parties in which the company has invested capital		**-**	**-**	-	-
3. Liabilities to other parties		**48,75,775**	**1,081.51**	81,07,701	1,694.45
a) credits and loans		**-**	**-**	-	-
b) debt securities		**-**	**-**	-	-
c) other financial liabilities	7	**4,34,246**	**96.32**	1,23,807	25.87
d) trade payables with due dates		**15,39,809**	**341.55**	41,32,014	863.56
– within 12 months	7	**15,39,809**	**341.55**	41,32,014	863.56
e) advances received for supplies and services	7	**13,79,882**	**306.07**	19,23,279	401.95
f) promissory notes		**-**	**-**	-	-
g) tax, customs, social and health insurance and other public payables	7	**8,24,498**	**182.88**	12,41,004	259.36
h) payroll	7	**6,68,878**	**148.37**	6,58,486	137.62
i) other	7	**28,462**	**6.31**	29,110	6.08
4. Special funds	48	**65,973**	**14.63**	13,127	2.74
IV. Accruals		**97,73,591**	**2,167.90**	1,01,93,971	2,130.47
1. Negative goodwill	31	**78,37,932**	**1,738.55**	82,55,955	1,725.44
2. Accrued construction contracts		**-**	**-**	-	-
3. Other accruals		**19,35,659**	**429.35**	19,38,016	405.03
– short-term	31	**19,35,659**	**429.35**	19,38,016	405.03
TOTAL LIABILITIES AND EQUITY		**3,67,98,393**	**8,162.33**	4,12,40,003	8,618.87

PROFIT AND LOSS ACCOUNT [by nature] for 01.04.2024 - 31.03.2025

	Note No	01.04.2024 - 31.03.2025		01.04.2023 - 31.03.2024	
		PLN	**Rs Lacs**	PLN	Rs Lacs
A. Net revenue from sales and sales equivalent, of which:		**4,05,99,715**	**9,005.50**	4,57,78,670	9,567.42
– from related parties	25	**1,29,96,430**	**2,882.76**	1,27,62,467	2,667.27
I. Net revenue from the sale of finished products	25	**3,79,73,630**	**8,423.01**	4,81,63,455	10,065.83
II. Change in finished products (increase – positive value, decrease – negative value)		**15,77,352**	**349.88**	(31,75,825)	(663.73)
III. Cost of producing goods for the entity's own needs	26	**71,885**	**15.95**	2,938	0.61
IV. Net revenue from the sale of goods for resale and raw materials	25	**9,76,848**	**216.68**	7,88,102	164.71
B. Operating costs		**3,75,17,692**	**8,321.87**	4,12,28,554	8,616.48
I. Depreciation	26	**12,68,850**	**281.45**	13,74,005	287.16
II. Use of materials and energy	26	**1,63,22,153**	**3,620.45**	1,93,45,282	4,043.03
III. Third party services	26	**53,91,295**	**1,195.85**	67,52,965	1,411.32
IV. Taxes and charges	26	**3,41,551**	**75.76**	3,25,867	68.10
V. Wages and salaries	26	**1,05,76,579**	**2,346.01**	1,00,87,855	2,108.29
VI. Social insurance and other employee benefits, of which:	26	**27,29,545**	**605.45**	25,27,146	528.16
– retirement	26	**9,60,534**	**213.06**	9,35,196	195.45
VII. Other costs by nature	26	**1,57,695**	**34.98**	1,19,979	25.07
VIII. Cost of goods for resale and raw materials sold	49	**7,30,023**	**161.93**	6,95,455	145.35
C. Sales profit (loss) (A-B)		**30,82,023**	**683.63**	45,50,116	950.94
D. Other operating revenue		**23,61,115**	**523.72**	13,55,035	283.19
I. Profit on the sale of non-financial fixed assets	27	**81**	**0.02**	-	-
II. Subsidies	27	**1,60,609**	**35.62**	85,585	17.89
III. Revaluation of non-financial assets	27	**23,039**	**5.11**	-	-
IV. Other operating revenue	27	**21,77,387**	**482.97**	12,69,449	265.31
E. Other operating costs		**29,05,529**	**644**	10,75,774	244.83
I. Loss on the sale of non-financial fixed assets		**-**	**-**	-	-
II. Revaluation of non-financial assets	28	**4,92,076**	**109.15**	1,70,254	35.58
III. Other operating costs	28	**24,13,452**	**535.33**	9,05,519	189.25
F. Operating profit (loss) (C+D-E)		**25,37,610**	**562.87**	48,29,377	1,009.31
G. Financial revenue		**-**	**-**	-	-
V. Other	29	**-**	**-**		
H. Financial costs		**9,64,033**	**213.83**	11,79,866	246.58
I. Interest, of which	30	**8,97,559**	**199.09**	11,55,744	241.54
– to related parties	30	**8,10,575**	**179.80**	10,96,517	229.16
IV. Other	30	**66,474**	**14.74**	24,122	5.04
I. Gross profit (loss) (F+G-H)		**15,73,576**	**349.04**	36,49,511	762.73
J. Income tax	10	**1,94,208**	**43.08**	(3,97,642)	(83.10)
L. Net profit (loss) (I-J-K)		**13,79,368**	**305.96**	40,47,153	845.83

DANSTOKER POLAND SP. ZO.O.

Statement of cash flows (PLN) (indirect method)

	Note No	01.04.2024 - 31.03.2025		01.04.2023 - 31.03.2024	
		PLN	**Rs Lacs**	PLN	Rs Lacs
A. Cash flows from operating activities					
I. Net profit (loss)		**13,79,368**	**305.96**	40,47,153	845.83
II. Total adjustments		**(8,75,582)**	**(194.21)**	(15,70,563)	(328.24)
1. Depreciation	26	**12,68,850**	**281.45**	13,74,005	287.16
2. Foreign exchange gains (losses)		**(5,556)**	**(1.23)**	(5,957)	(1.24)
3. Interest and shares in profits (dividends)	18	**8,86,107**	**196.55**	11,50,840	240.52
4. Profit (loss) on investing activities		**(81)**	**(0.02)**	-	-
5. Changes in provisions	18	**2,83,073**	**62.79**	(1,67,237)	(34.95)
6. Changes in inventory	18	**20,05,002**	**444.73**	43,45,697	908.22
7. Changes in receivables	18	**4,12,522**	**91.50**	11,12,194	232.44
8. Changes in short-term liabilities, excluding credits and loans	18	**(38,32,596)**	**(850.12)**	(54,10,386)	(1,130.73)
9. Changes in prepayments and accruals	18	**(3,45,323)**	**(76.60)**	11,70,343	244.59
10. Other adjustments	18	**(15,47,578)**	**(343.27)**	(51,40,063)	(1,074.24)
III. Net cash flows from operating activities (I+II)		**5,03,787**	**112**	24,76,589	517.59
B. Cash flows from investment activities					
I. Income		**81**	**0.02**	-	-
1. Sale of intangible and tangible fixed assets		**81**	**0.02**	-	-
II. Expenses		**3,28,498**	**72.86**	64,192	13.42
1. Acquisition of intangible and tangible fixed assets		**3,28,498**	**72.86**	64,192	13.42
III. Net cash flows from investment activities (I-II)		**(3,28,417)**	**(72.85)**	(64,192)	(13.42)
C. Cash flows from financing activities					
I. Income		**-**	**-**	-	-
1. Net income from the issue of shares and other capital instruments as well as contributions to capital		**-**	**-**	-	-
2. Credits and loans		**-**	**-**	-	-
II. Expenses		**26,49,520**	**587.70**	1,83,894	38.43
1. Acquisition of treasury (own) shares		**-**	**-**	-	-
2. Dividends and other payments to shareholders		**-**	**-**	-	-
3. Distributions of profit other than payments to shareholders		**-**	**-**	-	-
4. Repayment of credits and loans		**-**	**-**	-	-
5. Buyback of debt securities		**-**	**-**	-	-
6. Financial liabilities		**-**	**-**	-	-
7. Payment of finance lease payables		**3,85,336**	**85.47**	1,29,571	27.08
8. Interest		**22,64,184**	**502.22**	54,324	11.35
III. Net cash flows from financing activities (I-II)		**(26,49,520)**	**(587.70)**	(1,83,894)	(38.43)
D. Total net cash flows (A.III.+B.III+C.III)		**(24,74,151)**	**(548.80)**	22,28,503	465.74
E. Net change in cash balances, of which:		**(24,68,595)**	**(547.56)**	22,34,460	466.99
– change in cash balances relating to foreign exchange differences		**5,556**	**1.23**	5,957	1.24
F. Cash at beginning of period		**47,83,398**	**1,061.02**	25,48,937	532.71
G. Cash at end of period (F+D), of which:		**23,09,247**	**512.22**	47,77,441	998.45
– restricted cash		**5,00,746**	**111.07**	7,58,562	158.53

Statement of changes in shareholders equity

	01.04.2024 - 31.03.2025		01.04.2023 - 31.03.2024	
	PLN	**Rs Lacs**	PLN	Rs Lacs
I. Equity at beginning of period (Opening Balance)	**66,75,763**	**1,480.76**	26,28,611	549.36
– changes in accounting policies	**-**	**-**	-	-
– adjustment of errors	**3.30**	**0.00**	-	-
I.a. Adjusted equity at beginning of period (OB)	**66,75,763**	**1,480.76**	26,28,611	549.36
1. Share capital at beginning of period	**5,000**	**1.11**	5,000	1.04
1.1. Changes in share capital	**-**	**-**	-	-
a) increases relating to	**-**	**-**	-	-
b) decreases relating to	**-**	**-**	-	-
– correction of errors unregistered equity value in National Court Register	**-**	**-**	-	-
1.2. Share capital at end of period	**5,000**	**1.11**	5,000	1.04
2.1. Changes in reserve capital	**1,70,55,000**	**3,783.00**	1,70,55,000	3,564.38
a) increases relating to	**-**	**-**	-	-
– share premium	**-**	**-**	-	-
2.2. Reserve capital at end of period	**1,70,55,000**	**3,783.00**	1,70,55,000	3,268.04
3. Revaluation reserve at beginning of period – changes in accounting policies	**-**	**-**	-	-
3.1. Changes in revaluation reserve	**-**	**-**	-	-
3.2. Revaluation reserve at end of period	**-**	**-**	-	-
4. Other reserves at beginning of period	**4,45,000**	**98.71**	4,45,000	93.00
4.1. Changes in other reserves	**-**	**-**	-	-
a) increases relating to	**-**	**-**	-	-
– correction of errors unregistered equity value in National Court Register	**-**	**-**	-	-
b) decreases relating to	**-**	**-**	-	-
4.2.Other reserves at end of period	**4,45,000**	**98.71**	4,45,000	93.00
5. Accumulated profit (loss) from previous years at beginning of period	**(1,08,29,237)**	**(2,402.05)**	(1,48,76,389)	(3,109.06)
5.1. Accumulated profit from previous years at beginning of period	**40,47,153**	**897.71**	3,36,153	70.25
– adjustment of errors	**3.30**	**0.00**	-	-
5.2. Adjusted accumulated profit from previous years at beginning of period	**40,47,156**	**897.71**	3,36,153	70.25
b) decreases relating to	**40,47,153**	**897.71**	3,36,153	70.25
– coverage of loss for previous years	**40,47,153**	**897.71**	3,36,153	70.25
5.3. Accumulated loss from previous years at beginning of period			1,52,12,542	3,179.31
– adjustment of errors	**3.30**	**0.00**	-	-
5.4. Adjusted accumulated loss from previous years	**1,48,76,389**	**3,299.76**	1,52,12,542	3,179.31
a) increases relating to	**-**	**-**	-	-
b) decreases relating to	**40,47,153**	**897.71**	3,36,153	70.25
– coverage of loss from previous years from profit	**40,47,153**	**897.71**	3,36,153	70.25
5.5. Accumulated loss from previous years at end of period	**1,48,76,389**	**3,299.76**	1,48,76,389	3,109.06
5.6. Accumulated profit (loss) from previous years at end of period	**(1,08,29,233)**	**(2,402.05)**	(1,48,76,389)	(3,109.06)
6. Net profit/loss	**13,79,368**	**305.96**	40,47,153	845.83
a) net profit	**13,79,368**	**305.96**	40,47,153	845.83
b) net loss	**-**	**-**	-	-
II. Equity at end of period (Closing Balance)	**80,55,135**	**1,786.73**	66,75,763	1,395.19
III. Equity after proposed distribution of profit (coverage of loss)	**80,55,135**	**1,786.73**	66,75,763	1,395.19

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9. Corporate Income Tax (CIT)

Position			Current year			Previous year		
			Total	Capital gains	Other	Total	Capital gains	Other
A	**Gross profit (loss) (F+G-H)**	**Legal basis (CIT Act)**	**1 573 576,24**			3 649 510,71		
B	**Tax-free income (permanent differences between profit / loss for accounting purposes and income / loss for tax purposes), including:**		**2 356,56**	**0,00**	**2 356,56**	2 356,56	0,00	2 356,56
	settlement of a redeemed loan for the purchase of fixed assets	(Article 17, Paragraph 21)	**2 356,56**	**0,00**	**2 356,56**	2 356,56	0,00	2 356,56
C	**Revenues not subject to taxation in the current year, including:**		**495 057,41**	**0,00**	**495 057,41**	797 156,08	0,00	797 156,08
	non-invoiced revenues from long-term contracts	(Article 12, Paragraph 3-3g)	**0,00**	**0,00**	**0,00**	0,00	0,00	0,00
	write-off of negative goodwill	(Article 16c, Point 4)	**418 023,00**	**0,00**	**418 023,00**	418 023,00	0,00	418 023,00
	unrealised foregin exchange income	(Article 15a)	**77 034,41**	**0,00**	**77 034,41**	175 646,44	0,00	175 646,44
	inventory write-downs - reversal	(Article 16, Paragraph 1, Point 26a)	**0,00**	**0,00**	**0,00**	203 486,64	0,00	203 486,64
D	**Taxable income in the current year, recognized in the accounting books of previous years, including:**		**0,00**	**0,00**	**0,00**	1 930 750,00	0,00	1 930 750,00
	long-term contracts (last year's revenue invoiced in the current year)	(Article 12, Paragraph 3-3g)	**0,00**	**0,00**	**0,00**	0,00	0,00	0,00
	future revenues invoiced in current year	(Article 12, Paragraph 3-3g)	**0,00**	**0,00**	**0,00**	1 930 750,00	0,00	1 930 750,00
E	**Costs not constituting tax deductible costs (permanent differences between profit / loss for accounting purposes and income / loss for tax purposes), including:**		**238 090,18**	**0,00**	**238 090,18**	351 338,64	0,00	351 338,64
	representation costs, in particular incurred for catering services, purchase of food and beverages, including alcoholic beverages	(Article 16, Paragraph 1, Point 28)	**97 329,20**	**0,00**	**97 329,20**	69 948,63	0,00	69 948,63
	costs of using vehicles that are not the property of the company	(Article 16, Paragraph 1, Point 51)	**45 728,42**	**0,00**	**45 728,42**	43 616,00	0,00	43 616,00
	interest on leasing	(Article 16, Paragraph 1, Point 11)	**75 532,01**	**0,00**	**75 532,01**	54 323,71	0,00	54 323,71
	write-offs updating the value of receivables	(Article 16, Paragraph 1, Point 26a)	**12 076,22**	**0,00**	**12 076,22**	170 254,20	0,00	170 254,20
	the loss arose as a result of liquidation of fixed assets and intangible assets	(Article 16, Paragraph 1, Point 6)	**0,00**	**0,00**	**0,00**	0,00	0,00	0,00
	contributions to organizations to which the taxpayer's membership is not compulsory	(Article 16, Paragraph 1, Point 37)	**0,00**	**0,00**	**0,00**	0,00	0,00	0,00
	other values (sum of items, each of which is less than PLN 20,000)	(Article 15)	**7 424,33**	**0,00**	**7 424,33**	13 196,10	0,00	13 196,10
F	**Costs not recognized as tax deductible costs in the current year, including:**		**2 024 396,08**	**0,00**	**2 024 396,08**	2 200 744,38	0,00	2 200 744,38
	the difference between tax depreciation and accounting depreciation (tax < accounting)	(Article 15, Paragraph 6)	**681 173,61**	**0,00**	**681 173,61**	697 126,41	0,00	697 126,41

Position			Current year			Previous year		
			Total	Capital gains	Other	Total	Capital gains	Other
	inventory write-downs	(Article 16, Paragraph 1, Point 26a)	**480 000,00**	**0,00**	**480 000,00**	0,00	0,00	0,00
	Social Security Institution contributions accrued unpaid in the current year	(Article 16, Paragraph 1, Point 57a)	**339 927,39**	**0,00**	**339 927,39**	322 990,82	0,00	322 990,82
	accrued but unpaid or redeemed interest on liabilities, including also on loans (credits)	(Article 16, Paragraph 1, Point 11)	**196 443,46**	**0,00**	**196 443,46**	1 096 516,57	0,00	1 096 516,57
	unrealised foregin exchange loss	(Article 15a)	**0,00**	**0,00**	**0,00**	0,00	0,00	0,00
	change in the provision for pension, holidays, bonuses	(Article 16, Paragraph 1, Point 27)	**145 171,94**	**0,00**	**145 171,94**	79 254,18	0,00	79 254,18
	unpaid remuneration under civil law contracts relating to March last year, paid in the following year	(Article 16, Paragraph 1, Point 57)	**6 033,24**	**0,00**	**6 033,24**	3 875,60	0,00	3 875,60
	unrealised foregin exchange income - reversal	(Article 15a)	**175 646,44**	**0,00**	**175 646,44**	980,80	0,00	980,80
G	**Costs recognized as tax deductible costs in the current year recognized in the books of previous years, including:**		**3 046 267,44**	**0,00**	**3 046 267,44**	428 795,66	0,00	428 795,66
	leasing installments paid (operational leasing converted into financial leasing) + initial payment	(Article 17b, Paragraph 1)	**342 483,49**	**0,00**	**342 483,49**	108 712,02	0,00	108 712,02
	Social Security Institution contributions relating to the previous year, paid in the current year	(Article 15, Paragraph 4h)	**322 990,82**	**0,00**	**322 990,82**	314 812,94	0,00	314 812,94
	remuneration paid under civil law contracts relating to last March, and paid in April this year	(Article 15, Paragraph 4g)	**3 875,60**	**0,00**	**3 875,60**	5 270,70	0,00	5 270,70
	paid loan interests	(Article 16, Paragraph 1, Point 11)	**2 188 651,88**	**0,00**	**2 188 651,88**	0,00	0,00	0,00
	Recognition of the uncollectibility of a previously written-off receivable (reclassified from Non-Tax Costs to Tax Costs)	(Article 16, Paragraph 2, Point 1)	**188 265,65**	**0,00**	**188 265,65**	0,00	0,00	0,00
H	**Loss from previous years:**		**292 381,09**			6 904 035,43		
	loss for 2017 not more than 50%	(Article 7, Paragraph 5)	**0,00**			0,00		
	loss for 2018 not more than 50%	(Article 7, Paragraph 5)	**0,00**			1 914 376,85		
	loss for 2019 not more than 5 mln PLN	(Article 7, Paragraph 5)	**0,00**			4 989 658,58		
	loss for 2019 not more than 50%	(Article 7, Paragraph 5)	**288 226,65**			0,00		
	loss for 2020 not more than 50%	(Article 7, Paragraph 5)	**4 154,44**			0,00		
J	**Income tax base**		**0,00**			0,00		
K	**Corporate Income Tax**		**0,00**			0,00		

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8. ADDITIONAL NOTES AND EXPLANATIONS - SUPPLEMENTARY INFORMATION

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Note 1

Cash and other cash assets

	31.03.2025	31.03.2024
1. Cash in hand	3 316,70	2 488,49
2. Cash at bank - split payment VAT account	396 865,09	592 414,98
3. Cash at bank	1 914 621,41	4 188 294,27
4. Other cash	0,00	200,00
5. Other cash assets	0,00	0,00
Total	**2 314 803,20**	4 783 397,74

Comments:

Cash with limited disposal consists of:

- funds accumulated on the VAT account in the amount of PLN 396 865,09,
- funds accumulated in the Social Fund account in the amount of PLN 103 880,46 zł.

Note 2

Cash and other cash assets (currency structure)

Investment	Amount in PLN	Amount in EUR	Translated from EUR to PLN	Amount in USD	Translated from USD to PLN	Amount in DKK	Translated from DKK to PLN	Total cash and other cash assets in PLN
Cash in hand and at bank	2 301 233,88	2 464,21	10 310,01	246,21	951,43	4 115,34	2 307,88	2 314 803,20
Other cash	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Other cash assets	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total	**2 301 233,88**	**2 464,21**	**10 310,01**	**246,21**	**951,43**	**4 115,34**	**2 307,88**	**2 314 803,20**

Note 3

Share capital ownership structure and number and nominal value of subscribed shares

Share capital ownership structure (shareholders holding at least 5% of shares)	Series	Registration date	How covered	Right to dividend (starting date)	Number of shares	Number of votes	Share issue price	Nominal value of shares (in PLN)	% of share capital*
1. Share capital - Danstoker AS		28.03.2017	Fully paid		100	100,00	50,00	5 000,00	100%
of which preferred					0	0,00	0,00	0,00	0,00
Total					**100**	**100,00**		**5 000,00**	**100%**

* share in the share capital corresponds to the share in the total number of votes

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Note 4

Proposed distribution of profit or coverage of loss for the year

	31.03.2025	31.03.2024
NET PROFIT/LOSS	**1 379 368,24**	4 047 152,71
Reserve capital (+/-)	**0,00**	0,00
Other reserves (+/-)	**0,00**	0,00
Company Employee Social Benefits Fund	**0,00**	0,00
Shareholder dividends (interest on capital)	**0,00**	0,00
Bonuses from profit	**0,00**	0,00
Social causes	**0,00**	0,00
Reduction in share capital	**0,00**	0,00
Shareholder contributions (if provided for in the articles of association)	**0,00**	0,00
Coverage of losses from previous years	**1 379 368,24**	4 047 152,71
Coverage of losses from future profits	**0,00**	0,00

* Distribution of the profit (coverage of loss)

Note 5

Long-term liabilities – ageing

	1. To related parties	**2. To related parties in which the company has invested capital**	**3. To other parties**						**Total**
			Total (a-e)	**a) credits and loans**	**b) debt securities**	**c) other financial liabilities**	**d) promissory notes**	**e) other**	
Repayment period									
up to 1 year									
beginning of period	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
end of period	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
from 1 to 3 years									
beginning of period	0,00	0,00	351 249,36	0,00	0,00	351 249,36	0,00	0,00	351 249,36
end of period	0,00	0,00	400 388,51	0,00	0,00	400 388,51	0,00	0,00	400 388,51
from 3 to 5 years									
beginning of period	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
end of period	0,00	0,00	380 239,27	0,00	0,00	380 239,27	0,00	0,00	380 239,27
more than 5 years									
beginning of period	12 143 030,91	0,00	0,00	0,00	0,00	0,00	0,00	0,00	12 143 030,91
end of period	9 217 372,92	0,00	332 640,31	0,00	0,00	332 640,31	0,00	0,00	9 550 013,23
Total									
beginning of period	12 143 030,91	0,00	351 249,36	0,00	0,00	351 249,36	0,00	0,00	12 494 280,27
end of period	9 217 372,92	0,00	1 113 268,09	0,00	0,00	1 113 268,09	0,00	0,00	10 330 641,01

Note 6

Breakdown of balance sheet assets

Specification	**Gross amount in the financial year**	**Revaluation write downs**	**Gross amount in the previous year**	**Revaluation write downs**	**Gross amount in the previous year (comparable data)**	**Revaluation write downs (comparable data)**
1. Receivables from related parties	**78 887,80**	**0,00**	**1 238 077,41**	**0,00**	**1 238 077,41**	**0,00**
a) long-term	0,00	0,00	0,00	0,00	0,00	0,00
– credits and loans	0,00	0,00	0,00	0,00	0,00	0,00
– security deposits	0,00	0,00	0,00	0,00	0,00	0,00
– debt securities	0,00	0,00	0,00	0,00	0,00	0,00
– other receivables	0,00	0,00	0,00	0,00	0,00	0,00
b) short-term	78 887,80	0,00	1 238 077,41	0,00	1 238 077,41	0,00
– credits and loans	0,00	0,00	0,00	0,00	0,00	0,00
– security deposits	0,00	0,00	0,00	0,00	0,00	0,00
– debt securities	0,00	0,00	0,00	0,00	0,00	0,00
– trade receivables with due dates:	78 887,80	0,00	1 238 077,41	0,00	1 238 077,41	0,00
– within 12 months	78 887,80	0,00	1 238 077,41	0,00	1 238 077,41	0,00
– in more than 12 months	0,00	0,00	0,00	0,00	0,00	0,00
– other receivables	0,00	0,00	0,00	0,00	0,00	0,00
2. Receivables from other parties in which the company has invested	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
a) long-term	0,00	0,00	0,00	0,00	0,00	0,00
– credits and loans	0,00	0,00	0,00	0,00	0,00	0,00
– security deposits	0,00	0,00	0,00	0,00	0,00	0,00
– debt securities	0,00	0,00	0,00	0,00	0,00	0,00
– other receivables	0,00	0,00	0,00	0,00	0,00	0,00

Item	Gross amount in the financial year	Revaluation write downs	Gross amount in the previous year	Revaluation write downs	Gross amount in the previous year (comparable data)	Revaluation write downs (comparable data)
b) short-term	0,00	0,00	0,00	0,00	0,00	0,00
– credits and loans	0,00	0,00	0,00	0,00	0,00	0,00
– security deposits	0,00	0,00	0,00	0,00	0,00	0,00
– debt securities	0,00	0,00	0,00	0,00	0,00	0,00
- trade payables with due dates	0,00	0,00	0,00	0,00	0,00	0,00
– within 12 months	0,00	0,00	0,00	0,00	0,00	0,00
– in more than 12 months	0,00	0,00	0,00	0,00	0,00	0,00
– other receivables	0,00	0,00	0,00	0,00	0,00	0,00
3. Receivables from other parties	**3 445 933,81**	**380 654,10**	**3 087 052,20**	**768 440,37**	**3 087 052,20**	**768 440,37**
a) long-term	0,00	0,00	0,00	0,00	0,00	0,00
– credits and loans	0,00	0,00	0,00	0,00	0,00	0,00
– security deposits	0,00	0,00	0,00	0,00	0,00	0,00
– debt securities	0,00	0,00	0,00	0,00	0,00	0,00
– other receivables	0,00	0,00	0,00	0,00	0,00	0,00
b) short-term	3 445 933,81	380 654,10	3 087 052,20	768 440,37	3 087 052,20	768 440,37
– credits and loans	0,00	0,00	0,00	0,00	0,00	0,00
– security deposits	0,00	0,00	0,00	0,00	0,00	0,00
– debt securities	0,00	0,00	0,00	0,00	0,00	0,00
– trade payables with due dates:	2 786 246,11	380 654,10	2 989 631,68	768 440,37	2 931 308,21	768 440,37
– within 12 months	2 786 246,11	380 654,10	2 989 631,68	768 440,37	2 931 308,21	768 440,37
– in more than 12 months	0,00	0,00	0,00	0,00	0,00	0,00
– tax, subsidy, customs, social and health insurance and other public	585 598,84	0,00	80 068,52	0,00	80 068,52	0,00
– other receivables	74 088,86	0,00	17 352,00	0,00	75 675,47	0,00
– receivables in court	0,00	0,00	0,00	0,00	0,00	0,00

Note7

Breakdown of balance sheet liabilities

Item	Amount in the Financial Year	Amount in Previous Year
1. Liabilities to related parties	**9 690 248,12**	**12 956 862,00**
a) long-term	9 217 372,92	12 143 030,91
– credits and loans	9 217 372,92	12 143 030,91
– debt securities	0,00	0,00
– other financial liabilities	0,00	0,00
– promissory notes	0,00	0,00
– other	0,00	0,00
b) short-term	472 875,20	813 831,09
– credits and loans	0,00	0,00
– debt securities	0,00	0,00
– other financial liabilities	0,00	0,00
– promissory notes	0,00	0,00
– trade payables with due dates	472 875,20	813 831,09
– within 12 months	472 875,20	813 831,09
– in more than 12 months	0,00	0,00
– other	0,00	0,00
2. Liabilities to other parties in which the company has invested capital	**0,00**	**0,00**
a) long-term	0,00	0,00
– credits and loans	0,00	0,00
– debt securities	0,00	0,00
– other financial liabilities	0,00	0,00
– promissory notes	0,00	0,00
– other	0,00	0,00
b) short-term	0,00	0,00
– credits and loans	0,00	0,00
– debt securities	0,00	0,00
– other financial liabilities	0,00	0,00
– promissory notes	0,00	0,00
– trade payables with due dates	0,00	0,00
– within 12 months	0,00	0,00
– in more than 12 months	0,00	0,00
– other	0,00	0,00

3. Liabilities to other parties	**5 989 043,29**	**8 458 950,18**
a) long-term	1 113 268,09	351 249,36
– credits and loans	0,00	0,00
– debt securities	0,00	0,00
– other financial liabilities	1 113 268,09	351 249,36
– promissory notes	0,00	0,00
– other	0,00	0,00
b) short-term	4 875 775,20	8 107 700,82
– credits and loans	0,00	0,00
– debt securities	0,00	0,00
– other financial liabilities	434 246,06	123 807,13
– trade payables with due dates	1 539 808,65	4 132 014,05
– within 12 months	1 539 808,65	4 132 014,05
– in more than 12 months	0,00	0,00
– advances received for deliveries	1 379 882,16	1 923 279,19
– promissory notes	0,00	0,00
– tax, subsidy, customs, social and health insurance and other public payables	824 497,85	1 241 004,30
– payroll	668 878,40	658 486,00
– other	28 462,08	29 110,15

Note 8

Contingent liabilities to other parties (by title)

Comment:

Not applicable

Note 9

Provisions for doubtful debts

Type of receivable	Changes in provisions during the financial year				
	Opening balance	Increases	Use	Releases	Closing balance
receivables written off - WEISS A/S Dania	188 265,65	0,00	188 265,65	0,00	0,00
receivables written off - KM Sp. z o.o.	80 684,01	0,00	0,00	0,00	80 684,01
receivables written off - BEHRENDT	259 122,72	0,00	0,00	0,00	259 122,72
receivables written off - TMS	40 847,37	0,00	0,00	0,00	40 847,37
receivables written off - IS SaveEnergy AG	158 389,14	0,00	158 389,14	0,00	0,00
receivables written off - TAWI Sp. z o.o.	18 092,93	12 076,22	30 169,15	0,00	0,00
receivables written off - CES Sp. z o.o.	23 038,55	0,00	0,00	23 038,55	0,00
Total	**768 440,37**	**12 076,22**	**376 823,94**	**23 038,55**	**380 654,10**

Note 10

Settlement of main items differentiating income tax base from gross financial result (profit, loss) gross

	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
Gross PROFIT/LOSS	**1 573 576,24**	**3 649 510,71**
Non-tax deductible costs	**2 850 162,43**	**3 228 961,21**
– provision for doubtful debts	12 076,22	170 254,20
– inventory write-down	480 000,00	0,00
– unpaid wages and salaries	6 033,24	3 875,60
– unpaid ZUS premiums	339 927,39	322 990,82
– interest to the budget	76,30	187,39
– interest payable	196 443,46	1 096 516,57
– contributions to PFRON	0,00	80,00
– provision for unused holidays	145 171,94	79 254,18
– positive exchange differences from the balance sheet valuation	175 646,44	980,80
– representation	97 329,20	69 948,63
– interest on financial leasing	75 532,01	0,00
– other non-tax costs	53 076,45	110 868,42
– balance sheet depreciation	1 268 849,78	1 374 004,60

	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
Non-accounting taxable costs	**3 633 943,61**	**1 105 673,85**
– tax depreciation	587 676,17	676 878,19
– leasing fees	342 483,49	108 712,02
– paid previous year social insurance	322 990,82	314 812,94
– civil contracts remuneration paid, accrued in the previous year	3 875,60	5 270,70
– interst paid on a loan	2 188 651,88	0,00
– determination of the uncollectibility of a previously written-off receivable (non-tax costs-> tax costs)	188 265,65	0,00
Non-taxable accounting revenue	**497 413,97**	**799 512,64**
– release of the write-down on inventories	0,00	203 486,64
– loan write-off	2 356,56	2 356,56
– positive exchange differences from the balance sheet valuation	77 034,41	175 646,44
– badwill write-off	418 023,00	418 023,00
Non-accounting taxable revenue	**0,00**	**1 930 750,00**
- long-term contracts (last year's revenue invoiced in the current year)	0,00	0,00
– revenues invoiced in the current year relating to future periods	0,00	1 930 750,00
Deduction from income	**-292 381,09**	**-6 904 035,43**
– loss for 2018 not more than 50%	0,00	-1 914 376,85
– loss for 2019 not more than 5 mln zł	0,00	-4 989 658,58
– loss for 2019 not more than 50%	-288 226,65	0,00
– loss for 2020 not more than 50%	-4 154,44	0,00
Tax base	**0,00**	**0,00**
Current income tax, of which:	**0,00**	**0,00**
– income tax on discontinued operations	0,00	0,00
Tax deducted by payer from paid out dividend	**0,00**	**0,00**
Change in deferred income tax assets	-64 891,00	299 864,00
Change in provisions for deferred income tax	129 317,00	-97 778,00
Tax liability listed in the profit and loss account	**194 208,00**	**-397 642,00**

Note 11

Change in deferred income tax assets

	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
1. Deferred income tax assets at beginning of period, of which:	**1 985 877,00**	**1 686 013,00**
a) charged to financial result at net amount	1 985 877,00	1 686 013,00
– gross amount	1 985 877,00	1 686 013,00
b) charged to equity	0,00	0,00
c) charged to goodwill or negative goodwill	0,00	0,00
2. Increases	**1 920 986,00**	**1 985 877,00**
a) charged to financial result for the period in connection with negative temporary differences	1 056 438,00	1 065 776,00
– receivables write down	72 324,00	146 004,00
– provision for unused annual leave	111 672,00	84 090,00
– unpaid remuneration	1 146,00	736,00
– accrued and unpaid interest	37 324,00	299 159,00
– inventory write-down	108 515,00	17 315,00
– surplus of invoiced receivables over realized revenue	366 843,00	366 843,00
– unpaid social insurance	64 586,00	61 368,00
– lease liabilities	294 028,00	90 261,00
b) charged to financial result for the period in connection with tax loss (relating to)	864 548,00	920 101,00
– loss 2021	304 158,00	304 159,00
– loss 2020	560 390,00	561 180,00
– loss 2018/19	0,00	54 762,00
c) charged to equity in connection with negative temporary differences	0,00	0,00
d) charged to equity in connection with tax loss (relating to)	0,00	0,00
e) charged to goodwill or negative goodwill in connection with negative temporary differences	0,00	0,00
3. Decreases	**1 985 877,00**	**1 686 013,00**
a) charged to financial result for the period in connection with negative temporary differences (relating to)	1 065 776,00	504 604,00
– unpaid social insurance	61 368,00	59 814,00
– provision for unused annual leave	84 090,00	69 031,00

	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
– provision for receivables	146 004,00	113 655,00
– inventory write-down	17 315,00	55 978,00
– unrealised foreign exchange differences	0,00	0,00
– unpaid remuneration	736,00	426,00
– lease liabilities	90 261,00	114 879,00
– accrued and unpaid interest	299 159,00	90 821,00
– excess of invoiced receivables over realized revenues	366 843,00	0,00
b) charged to financial result for the period in connection with tax loss (relating to)	920 101,00	1 181 409,00
– loss 2021	304 159,00	152 079,00
– loss 2020	561 180,00	288 643,00
– loss 2018/19	54 762,00	740 687,00
– previous years losses	0,00	0,00
– write-downs on deferred income tax assets	0,00	0,00
c) charged to equity in connection with negative temporary differences (relating to)	0,00	0,00
d) charged to equity in connection with tax loss (relating to)	0,00	0,00
e) charged to goodwill or negative goodwill in connection with negative temporary differences (relating to)	0,00	0,00
4. Total deferred income tax assets at end of period, of which:	**1 920 986,00**	**1 985 877,00**
a) charged to financial result	1 920 986,00	1 985 877,00
– gross amount	1 920 986,00	1 985 877,00
b) charged to equity	0,00	0,00
c) charged to goodwill or negative goodwill	0,00	0,00
5. Presumable value of deferred income tax assets associated with investments in subsidiary, co-subsidiary and associated entities, the calculation of which is not possible (points 16.8. and 16.12.KSR 2). In this case, information is also given about the value of temporary differences relating to these investments.	**0,00**	**0,00**
6. Reasons for which the company has not revalued its deferred income tax assets	**0,00**	**0,00**
7. Total amount of temporary differences relating to investments, for which no provisions for deferred income tax have been formed, of which:	**0,00**	**0,00**
– in subordinated entities	0,00	0,00
– in branches	0,00	0,00
– in joint ventures	0,00	0,00

Note 12

Change in provision for deferred income tax

	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
1. Provision for deferred income tax at beginning of period, of which:	**2 467 756,00**	**2 565 534,00**
a) charged to financial result	-277 680,39	-179 902,39
b) charged to equity	277 442,00	277 442,00
c) charged to goodwill or negative goodwill	2 467 994,39	2 467 994,39
2. Increases	**238 023,00**	**33 187,00**
a) charged to financial result for the period due to positive temporary differences (relating to)	238 023,00	33 187,00
– exchange differences	0,00	33 187,00
– leased fixed assets	238 023,00	0,00
– non-invoiced revenues from long-term contracts	0,00	0,00
b)charged to equity due to positive temporary differences (relating to)	0,00	0,00
c) charged to goodwill or negative goodwill due to positive temporary differences (relating to)	0,00	0,00
3. Decreases	**108 706,00**	**130 965,00**
a) charged to financial result for the period due to positive temporary differences (relating to)	108 706,00	130 965,00
– difference in fixed asstes valuation for tax and balance sheet purpose	89 970,00	103 547,00
– exchange differences	18 736,00	0,00
– leased fixed assets	0,00	27 418,00
– non-invoiced revenues from long-term contracts	0,00	0,00
b) charged to equity due to positive temporary differences (relating to)	0,00	0,00
c) charged to goodwill or negative goodwill due to positive temporary differences (relating to)	0,00	0,00
4. Total provision for deferred income tax at end of period, of which:	**2 597 073,00**	**2 467 756,00**
a) charged to financial result	-148 363,39	-277 680,39
b) charged to equity	277 442,00	277 442,00
c) charged to goodwill or negative goodwill	2 467 994,39	2 467 994,39

	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
5. Presumable value of provisions for deferred income tax associated with investments in subsidiary, co-subsidiary and associated entities, the calculation of which is not possible (point 16.8. and 16.12. KSR 2). In this case, information is also given about the value of temporary differences relating to these investments.	**0,00**	**0,00**

Note 13

Provisions

	Opening balance	Increases	Use	Releases	Closing balance
1. For deferred income tax	**2 467 756,00**	**238 023,00**	**0,00**	**108 706,00**	**2 597 073,00**
2. For retirement and similar benefits, of which:	**0,00**	**587 749,06**	**0,00**	**0,00**	**587 749,06**
a) long-term	0,00	0,00	0,00	0,00	0,00
b) short-term	0,00	587 749,06	0,00	0,00	587 749,06
– ...	0,00	587 749,06	0,00	0,00	587 749,06
3. Other provisions, of which:	**473 573,95**	**39 580,48**	**30 996,83**	**442 577,12**	**39 580,48**
a) long-term	0,00	0,00	0,00	0,00	0,00
b) short-term	473 573,95	39 580,48	30 996,83	442 577,12	39 580,48
– unused annual leave	442 577,12	0,00	0,00	442 577,12	0,00
– accruals for not invoiced costs, audit, bonuses	30 996,83	39 580,48	30 996,83	0,00	39 580,48
Total	**2 941 329,95**	**865 352,54**	**30 996,83**	**551 283,12**	**3 224 402,54**

Note 14

Information about transactions with related parties

Transaction description	Company name	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
Sales of products	Danstoker A/S	7 624 903,46	10 736 934,83
Sales of services	Danstoker A/S	5 370 241,23	1 837 563,40
Sales of goods	Danstoker A/S	1 285,35	0,00
Sales of materials	Danstoker A/S	23 488,00	187 968,80
Total:		**13 019 918,04**	**12 762 467,03**
Purchase of materials	Danstoker A/S	995 209,81	2 093 203,85
Purchase of services	Danstoker A/S	4 325,00	41 634,66
Purchase of IT services and licences	Danstoker A/S	159 932,62	240 389,36
Purchase of fixed assets	Danstoker A/S	5 586,00	0,00
Loan interest	Danstoker A/S	810 574,91	1 096 516,57
Total:		**1 975 628,34**	**3 471 744,44**
Loan repayment/settlement by offset	Danstoker A/S	1 547 581,02	5 140 062,90
Loan interest payment	Danstoker A/S	2 188 651,88	0,00
Total:		**3 736 232,90**	**5 140 062,90**
Business development services	Thermax	0,00	81 849,13
Total:		**0,00**	**81 849,13**

Note 15

Information about the entity preparing the consolidated financial statements at the highest level of the group in which the company is a subsidiary

Name and registered office	Location where the consolidated financial statements may be accessed
Thermax Ltd., Pune, India	Thermax Limited D-13, MIDC Industrial Area R D Aga Road, Chinchwad, Pune 411019; www.thermaxglobal.com

Note 16

Information about the entity preparing the consolidated financial statements at the lowest level of the group in which the company is a subsidiary

Name and registered office	Location where the consolidated financial statements may be accessed
Danstokar A/S, Herning, Denmark	Danstoker A/S Industrivej Nord 13 7400 Herning DENMARK; www.cvr.dk

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Note 17

Exchange rates used to value financial statements items expressed in foreign currencies

Currency	Exchange rate for the reporting period	Exchange rate for the previous period
EUR	4,1839	4,3009
USD	3,8643	3,9886
GBP	5,0020	5,0300
DKK	0,5608	0,5766

Note 18

Breakdown of cash for the statement of cash flows

Item A.II.3. Interest and shares in profits (dividends)	31.03.2025	31.03.2024
Interest on deposits in excess of 3 months	0,00	0,00
Interest on loans	0,00	0,00
Interest on credits	0,00	0,00
Dividends received and booked	0,00	0,00
Dividends paid and booked	0,00	0,00
Other interest	886 106,92	1 150 840,28
Total interest	**886 106,92**	**1 150 840,28**

Item A.II.5. Changes in cost provisions	31.03.2025	31.03.2024
Provision for deferred income tax	2 597 073,00	2 467 756,00
Provision for retirement and similar benefits	587 749,06	0,00
Other provisions	39 580,48	473 573,95
Total	**3 224 402,54**	**2 941 329,95**
Change in value	**283 072,59**	**-167 236,85**

Item A.II.6. Changes in inventory	31.03.2025	31.03.2024
Total inventory	8 942 954,24	10 467 956,65
Purchase costs	0,00	0,00
Revaluation	480 000,00	0,00
Total	**8 462 954,24**	**10 467 956,65**
Change in value, of which:	**2 005 002,41**	**4 345 696,85**
Change in the value of a non-cash contribution received(-)/made(+) in the form of current assets (inventory)	0,00	0,00

Item A.II.7. Changes in receivables	31.03.2025	31.03.2024
Long-term receivables	0,00	0,00
Short-term receivables from related parties	78 887,80	1 238 077,41
Short-term receivables from other parties in which the company has invested capital	0,00	0,00
Short-term receivables from other parties	3 065 279,71	2 318 611,83
Total receivables	**3 144 167,51**	**3 556 689,24**
Change in receivables	**412 521,73**	**1 112 194,20**

Item A.II.8. Change in short-term liabilities, excluding credits and loans	31.03.2025	31.03.2024
Short-term liabilities to related parties	472 875,20	813 831,09
Short-term liabilities to other parties in which the company has invested capital	0,00	0,00
Short-term liabilities to other parties	4 441 529,14	7 983 893,69
Special funds	65 972,90	13 127,07
Total liabilities, of which:	**4 980 377,24**	**8 810 851,85**
Liabilities relating to the purchase of tangible and intangible fixed assets	16 921,78	14 800,00
Liabilities relating to investments in real estate and intangibles	0,00	0,00
Other liabilities relating to investment activities	0,00	0,00
Total liabilities relating to investment activities	**16 921,78**	**14 800,00**
Liabilities relating to the purchase of treasury (own) shares	0,00	0,00
Liabilities relating to dividends and other payments to shareholders	0,00	0,00
Liabilities relating to the distribution of profit, other than payments to shareholders	0,00	0,00
Liabilities relating to debt securities	0,00	0,00
Other financial liabilities	0,00	0,00
Liabilities relating to finance lease agreements	0,00	0,00
Liabilities relating to credits and loans	0,00	0,00
Total liabilities from financing activities	**0,00**	**0,00**
Liabilities relating to income tax charged directly to equity	**0,00**	**0,00**
Liabilities relating to operating activities	**4 963 455,46**	**8 796 051,85**
Change in liabilities	**-3 832 596,39**	**-5 410 385,59**

Item A.II.9. Change in prepayments and accruals	31.03.2025	31.03.2024
Long-term prepayments	1 961 800,48	1 985 877,00
Short-term prepayments	176 626,12	227 605,70
Total	**2 138 426,60**	**2 213 482,70**
1. Change in value	**75 056,10**	**-340 027,43**
Negative goodwill	7 837 932,26	8 255 955,26
Long-term accruals	0,00	0,00
Short-term accruals	1 935 659,12	1 938 015,68
Total	**9 773 591,38**	**10 193 970,94**
2.Change in value	**-420 379,56**	**1 510 370,44**
Total change in prepayments and accruals (1+2)	**-345 323,46**	**1 170 343,01**

Item A.II.10. Other adjustments	31.03.2025	31.03.2024
Settlement of long-term loan liabilities with receivables	-1 547 581,02	-5 140 062,90
Pozostałe	3,30	0,00
Total	**-1 547 577,72**	**-5 140 062,90**
Change in value	**-1 547 577,72**	**-5 140 062,90**

Item E. Net change in cash balances	31.03.2025	31.03.2024
Cash in hand	3 316,70	2 488,49
Cash at bank	2 311 486,50	4 780 709,25
Bank deposits for up to 3 months	0,00	0,00
Cash equivalents, of which:	0,00	0,00
– checks	0,00	0,00
– promissory notes	0,00	0,00
– other	0,00	0,00
Total cash and cash equivalents	**2 314 803,20**	**4 783 197,74**
Change in cash and cash equivalents	**-2 468 394,54**	**2 234 260,32**
Balance sheet valuation of cash	5 556,12	5 956,85
Change in cash relating to foreign exchange differences	**5 556,12**	**5 956,85**
Restricted cash	**500 745,55**	**758 562,31**

Note 19

Nature and economic objective of concluded agreements not included in the balance sheet to the extent necessary to assess their effect on the company's financial position and financial result

Comments:
Has not occurred

Note 20

Average employment in the financial year by occupational group

	Average number of employees in the financial year	Average number of employees in the previous year
Total, of which:	**118,84**	**112,49**
– white collar (in non-labor positions)	39,47	32,20
– blue collar (in labor positions)	79,37	80,29
– apprentices	0,00	0,00
– home-based workers	0,00	0,00
– employees on parental or unpaid leave	0,00	0,00

Note 21

Remuneration due or paid out to members of the company's management, supervisory and administrative organs for the financial year

Comments
Has not occurred. Board Members do not receive remuneration.

DANSTOKER POLAND SP. ZO.O.

Note 22

Fee to certified auditor or entity authorized to audit financial statements, paid out or due for the financial year

Details	Date of agreement relating to the reporting period	Duration of agreement relating to the reporting period	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
Mandatory audit of financial statements	08.01.2025	01.04.2024-31.03.2026	50 000,00	43 937,40
Other assurance services	-	-	0,00	0,00
Tax advisory service	-	-	0,00	0,00
Consolidated financial statements	-	-	0,00	0,00
Other services	-	-	82 000,00	61 308,00
review of the individual consolidation package Q3 and Q4 of the financial year 2024-25	08.01.2025	01.10.2024-31.03.2026	42 000,00	-
review of the individual consolidation package Q1 and Q2 of the financial year 2024-25	01.07.2024	01-04.2024-30.09.2024	40 000,00	-
Total			**132 000,00**	**105 245,40**

Note 23

Information about significant events that occurred after the balance sheet date and have not been included in the financial statements, and about their effect on the company's financial position and financial result

Comments
Has not occurred.

Note 24

Threats to going concern

Details	Description
Confirmation of uncertainty with regard to going concern	NO
Description of uncertainties with regard to going concern	NO
Information about adjustments recognized in the financial statements in connection with uncertainty relating to going concern	NO
Description of actions undertaken or planned to eliminate uncertainty with regard to going concern	YES

Comments:

There is no threat of continuing operations. The company has guaranteed financing from the parent company.

In the financial year, the Company noted a slowdown in the market for boiler products. In the case of biomass boilers, a suspension of financing from European funds is noticeable. This is happening not only in Poland, but also throughout Europe. Nevertheless, the Company expects a revival in the field of biomass boilers in the coming year. In the case of gas boilers, which constitute a significant part of the offered product mix, the Company expects a smaller number of orders. The Company plans to develop new technical solutions adapted to the current needs of customers in accordance with the energy transformation. As of the balance sheet date, the value of the order portfolio amounted to PLN 20 million. Despite the ongoing conflict between Russia and Ukraine, the Company notes stabilization on the steel and energy market. The decrease in data published by the Central Statistical Office regarding the index of changes in the prices of consumer goods causes less pressure on wage increases. The nature of the Company's activities limits a sufficiently rapid reaction in the form of an increase in product prices. The Company carried out a detailed analysis of its financial situation in the following years, taking into account potential negative factors. Based on this analysis, no threat to the continuation of operations was identified. The Company achieved its budget goals and recorded a positive financial result. The Company's operations continue to be financed by a loan from the sole shareholder Danstoker A/S. The current agreement with the main shareholder amounts to PLN 20,000 thousand.

Note 25

Net revenue from the sale of goods for resale and finished products by type and territory

	01.04.2024 - 31.03.2025		01.04.2023 - 31.03.2024		Prior-year comparable data	
	from related parties	from other parties	from related parties	from other parties	from related parties	from other parties
1. Sales of services (by type)	5 370 241,23	1 116 855,05	1 837 563,40	313 496,22	1 837 563,40	313 496,22
– services	5 370 241,23	1 116 855,05	1 837 563,40	313 496,22	1 837 563,40	313 496,22
2. Sales of raw materials (by type)	0,00	0,00	187 968,80	387 860,49	0,00	0,00
– materials	0,00	0,00	187 968,80	387 860,49	0,00	0,00
3. Sales of goods for resale (by type)	1 285,35	975 562,86	0,00	212 273,00	0,00	212 273,00
– goods for resale	1 285,35	975 562,86	0,00	212 273,00	0,00	212 273,00
4. Sales of finished products or other services (by	7 624 903,46	23 861 630,15	10 736 934,83	35 275 460,88	10 736 934,83	35 275 460,88
– products	7 624 903,46	23 861 630,15	10 736 934,83	35 275 460,88	10 736 934,83	35 275 460,88
5. Other sales revenue (by type)	0,00	0,00	0,00	0,00	0,00	0,00
TOTAL	**12 996 430,04**	**25 954 048,06**	**12 762 467,03**	**36 189 090,59**	**12 574 498,23**	**35 801 230,10**

	01.04.2024 - 31.03.2025		01.04.2023 - 31.03.2024		Prior-year comparable data	
	from related parties	from other parties	from related parties	from other parties	from related parties	from other parties
of which:						
Sale to domestic customers	14 119,05	16 927 422,84	270 560,61	32 507 391,15	98 173,07	32 122 130,46
– finished products/services	14 119,05	15 954 308,96	98 173,07	31 909 857,46	98 173,07	31 909 857,46
– goods for resale	0,00	973 113,88	0,00	212 273,00	0,00	212 273,00
– materials	0,00	0,00	172 387,54	385 260,69	0,00	0,00
Export sales	2 603 236,00	746 469,15	361 491,00	1 524,21	361 491,00	0,00
– finished products/services	2 603 236,00	746 469,15	361 491,00	0,00	361 491,00	0,00
– materials	0,00	0,00	0,00	1 524,21	0,00	0,00
EU sales	10 379 074,99	8 280 156,07	12 130 415,42	3 680 175,23	12 114 834,16	3 679 099,64
– finished products/services	10 377 789,64	8 277 707,09	12 114 834,16	3 679 099,64	12 114 834,16	3 679 099,64
– finished products/services - to other parties	1 285,35	2 448,98	0,00	0,00	0,00	0,00
– materials	0,00	0,00	15 581,26	1 075,59	0,00	0,00

Comments
In connection with the Act of 6 December 2024 amending the Accounting Act, the Act on Statutory Auditors, Audit Firms and Public Supervision and certain other acts, revenues from the sale of materials presented in other operating income (shown in Note 27)

Note 26

Costs by nature and costs of producing goods for the entity's own needs

	01.04.2024-31.03.2025	01.04.2023-31.03.2024	Prior-year comparable data
A. Cost of producing goods for the entity's own needs	**71 885,31**	**2 937,66**	**2 937,66**
B. Costs by nature	**36 787 669,09**	**40 533 098,97**	**40 533 098,97**
1. Depreciation	1 268 849,78	1 374 004,60	1 374 004,60
2. Use of materials and energy	16 322 153,35	19 345 282,01	19 345 282,01
3. Third party services	5 391 295,26	6 752 965,00	6 752 965,00
4. Taxes and charges, of which:	341 551,14	325 867,11	325 867,11
– excise tax	0,00	0,00	0,00
5. Wages and salaries	10 576 578,97	10 087 855,45	10 087 855,45
6. Social insurance and other employee benefits, of which: 1 866	2 729 545,32	2 527 145,69	2 527 145,69
– retirement	960 533,51	935 196,40	935 196,40
7. Other costs by nature	157 695,27	119 979,11	119 979,11
C. Cost of goods for resale and raw materials sold	**730 022,86**	**695 455,07**	**166 298,86**
Total	**37 589 577,26**	**41 231 491,70**	**40 702 335,49**

Comments:

In connection with the Act of 6 December 2024 amending the Accounting Act, the Act on Statutory Auditors, Audit Firms and Public Supervision and certain other acts, the value of materials sold presented in other revenues and operating costs - value shown in Note 28. Value for the previous year: PLN 529,156.21.

Note 27

Other operating revenue

	01.04.2024-31.03.2025	01.04.2023-31.03.2024	Prior-year comparable data
I. Released provisions (relating to)	**81,30**	**0,00**	**0,00**
II. Subsidies	**160 608,54**	**85 585,46**	**85 585,46**
1) co-financing of training from KFS (National Training Fund) funds	33 344,00	9 000,00	9 000,00
2) disabled persons fund	124 907,98	74 228,90	74 228,90
3) WFOS (Regional Enviroment Protection Institution) loan remission	2 356,56	2 356,56	2 356,56
III. Revaluation of non-financial assets	**23 038,55**	**0,00**	**0,00**
1) reversal of receivables write-offs	23 038,55	0,00	0,00
IV. Other, of which:	**2 177 386,74**	**1 269 449,32**	**1 845 278,61**
A. Released provisions (relating to)	**418 023,00**	**418 023,00**	**418 023,00**
– badwill depreciation	418 023,00	418 023,00	418 023,00
B. Revenues from sales of materials	**590 256,85**	**0,00**	**575 829,29**
C. Others	**1 169 106,89**	**851 426,32**	**851 426,32**
1) inventory surplus	1 164 771,46	838 466,73	838 466,73
2) other revenues	4 335,43	12 959,59	12 959,59
Other operating revenue	**2 361 115,13**	**1 355 034,78**	**1 930 864,07**

Comments:

In connection with the Act of 6 December 2024 amending the Act on Accounting, the Act on Statutory Auditors, Audit Firms and Public Supervision and certain other acts, revenues from the sale of materials presented in other operating income.

Note 28

Other operating costs

	01.04.2024-31.03.2025	01.04.2023-31.03.2024	Restated prior year comparatives
I. Provisions recognised	**0,00**	**0,00**	**0,00**
II. Other, including:	**2 905 528,62**	**1 075 773,56**	**1 604 929,77**
1) receivables write-down	12 076,22	170 254,20	170 254,20
2) inventory write-down	480 000,00	0,00	0,00
3) inventory losses	1 033 732,22	893 171,30	893 171,30
4) disposal costs of non-financial fixed assets	0,00	0,00	0,00
5) value of materials sold	1 378 249,25	0,00	529 156,21
6) other operating costs	1 470,93	12 348,06	12 348,06
TOTAL other operating costs	**2 905 528,62**	**1 075 773,56**	**1 604 929,77**

Comments:

In connection with the Act of 6 December 2024 amending the Act on Accounting, the Act on Statutory Auditors, Audit Firms and Public Supervision and certain other acts, revenues from the sale of materials presented in other operating income.

Note 29

Selected financial revenue

	01.04.2024-31.03.2025	01.04.2023-31.03.2024
I. Total financial revenue from dividends and shares in profits	**0,00**	**0,00**
a) from related parties, of which:	0,00	0,00
b) from other parties	0,00	0,00
II. Total financial revenue from interest	**0,00**	**0,00**
1) on loans	0,00	0,00
a) from related parties, of which:	0,00	0,00
b) from other parties	0,00	0,00
2) other interest	0,00	0,00
a) from related parties, of which:	0,00	0,00
b) from other parties	0,00	0,00
III. Total other financial revenue	**0,00**	**0,00**
1) exchange differences	0,00	0,00
2) released provisions (relating to)	0,00	0,00
3) other, of which:	0,00	0,00

Note 30

Selected financial costs

	01.04.2024-31.03.2025	01.04.2023-31.03.2024
I. Total financial interest costs	**897 559,07**	**1 155 744,33**
1) on credits and loans	810 574,91	1 096 516,57
a) to related parties, of which:	810 574,91	1 096 516,57
– to the holding company	810 574,91	1 096 516,57
b) to other parties	0,00	0,00
2) other interest	86 984,16	59 227,76
a) to related parties, of which:	0,00	0,00
b) to other parties	86 984,16	59 227,76
II. Other financial costs total	**66 474,27**	**24 122,01**
1) exchange differences	66 474,27	24 122,01
– foreign exchange losses realized	-337 664,10	-351 241,47
– foreign exchange losses unrealized	122 923,85	-131 961,12
– foreign exchange gains realized	305 526,34	550 029,12
– foreign exchange gains unrealized	-24 311,82	-42 704,52
2) provisions (relating to)	0,00	0,00
3) other, of which:	0,00	0,00

Note 31
Prepayments and accruals

	01.04.2024-31.03.2025	01.04.2023-31.03.2024
Long term accruals, including:	**1 961 800,48**	**1 985 877,00**
1. Deferred income tax assets, of which:	1 920 986,00	1 985 877,00
– from tax losses, by date on which the right to deduct loss expires	864 548,00	920 101,00
– in the year 2026	237 035,00	152 080,00
– in the year 2025	627 513,00	231 964,00
– in the year 2024	0,00	536 057,00
– from other negative temporary differences, of which among others (please list the greatest):	1 056 438,00	1 065 776,00
– unpaid social insurance	64 586,00	61 368,00
– provision for receivables	72 324,00	146 004,00
– inventory write-down	108 515,00	17 315,00
– unpaid interests	37 324,00	299 159,00
– unrealized exchange differences	0,00	0,00
– leasing assets	294 028,00	90 261,00
– revenues invoiced in the current year relating to future periods	366 843,00	366 843,00
– other (unpaid remuneration, provision for annual leave)	112 818,00	84 826,00
2. Total difference between the value of received financial assets and the liability due for them:	0,00	0,00
3. Other	40 814,48	0,00
1. Program subscription	40 814,48	0,00
Short-term prepayments, of which:	**176 626,12**	**227 605,70**
1. Personal and property insurance	54 610,23	44 205,75
2. Software subscription	120 284,77	181 172,28
3. Service costs prepaid	482,50	1 008,94
4. Magazine subscriptions	1 248,62	1 218,73
Accruals, of which:	**9 773 591,38**	**10 193 970,94**
1. Negative goodwill	7 837 932,26	8 255 955,26
Opening balance	8 255 955,26	8 673 978,26
a) increases, of which:	0,00	0,00
b) decreases, of which:	418 023,00	418 023,00
– negative goodwill depreciation	418 023,00	418 023,00
2. Other accruals, of which:	4 909,12	7 265,68
a) long-term, of which:	0,00	0,00
b) short-term, of which:	4 909,12	7 265,68
– WFOS loan remission	4 909,12	7 265,68
3. Deferred income, of which:	1 930 750,00	1 930 750,00
a) long-term, of which:	0,00	0,00
b) short-term, of which:	1 930 750,00	1 930 750,00
– surplus of invoiced receivables over realized revenues	1 930 750,00	1 930 750,00
4. Accruals for construction contracts	0,00	0,00

Note 32
Changes in tangible fixed assets

	Freehold land	Land in perpetual usufruct	Buildings and constructions and separate strata title premises and rights to	Plant and equipment	Vehicles	Other fixed assets	Total	Fixed assets under construction	Advances on fixed assets
Gross opening balance	**1 568 581,55**	**0,00**	**20 918 540,19**	**5 481 228,56**	**994 267,46**	**464 555,05**	**29 427 172,81**	**0,00**	**0,00**
Increases, of which:	0,00	0,00	99 700,03	1 498 447,02	37 163,15	70 845,26	1 706 155,46	273 453,93	54 564,63
– acquisition	0,00	0,00	0,00	1 457 794,00	0,00	0,00	1 457 794,00	273 453,93	54 564,63
– internal transfer	0,00	0,00	99 700,03	40 653,02	37 163,15	70 845,26	248 361,46	0,00	0,00
– other	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Decreases, of which:	0,00	0,00	0,00	0,00	0,00	0,00	0,00	248 361,46	0,00
– liquidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– revaluation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– disposal	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– internal transfer	0,00	0,00	0,00	0,00	0,00	0,00	0,00	248 361,46	0,00
– other	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00

	Freehold land	Land in perpetual usufruct	Buildings and constructions and separate strata title premises and rights to	Plant and equipment	Vehicles	Other fixed assets	Total	Fixed assets under construction	Advances on fixed assets
Gross closing balance	**1 568 581,55**	**0,00**	**21 018 240,22**	**6 979 675,58**	**1 031 430,61**	**535 400,31**	**31 133 328,27**	**25 092,47**	**54 564,63**
Accumulated depreciation at beginning of period	**0,00**	**0,00**	**4 143 379,71**	**4 213 871,71**	**515 621,84**	**335 822,50**	**9 208 695,76**	**0,00**	**0,00**
Current depreciation – increases	0,00	0,00	600 903,72	491 369,50	142 675,48	31 299,45	1 266 248,15	0,00	0,00
Decreases, of which:	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– liquidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– disposal	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– internal transfer	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– other	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Accumulated depreciation at end of period	**0,00**	**0,00**	**4 744 283,43**	**4 705 241,21**	**658 297,32**	**367 121,95**	**10 474 943,91**	**0,00**	**0,00**
Permanent impairment at beginning of period	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Increases	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Decreases	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Permanent impairment at end of period	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Net book value at beginning of period	**1 568 581,55**	**0,00**	**16 775 160,48**	**1 267 356,85**	**478 645,62**	**128 732,55**	**20 218 477,05**	**0,00**	**0,00**
Net book value at end of period	**1 568 581,55**	**0,00**	**16 273 956,79**	**2 274 434,37**	**373 133,29**	**168 278,36**	**20 658 384,36**	**25 092,47**	**54 564,63**
Percent used up from opening value (%)	0,00	0,00	0,23	0,67	0,64	0,69	0,34		

Note 33

Expenses for non-financial fixed assets incurred in the financial year and planned for the coming year

Details according to the contractually agreed repayment period	**01.04.2024-31.03.2025**	**01.04.2023-31.03.2024**
Expenses incurred in period,of which:	**1 731 247,93**	**78 991,66**
Acquisition of intangible fixed assets	0,00	0,00
Acquisition of fixed assets, of which:	1 731 247,93	78 991,66
– for environmental protection	0,00	0,00
Fixed assets under construction, of which:	0,00	0,00
– for environmental protection	0,00	0,00
Investments in real estate and rights	0,00	0,00
Planned expenses for the next year	**2 310 000,00**	**0,00**
Acquisition of intangible fixed assets	0,00	0,00
Acquisition of fixed assets, of which:	2 310 000,00	0,00
– for environmental protection	0,00	0,00
Fixed assets under construction, of which:	0,00	0,00
– for environmental protection	0,00	0,00
Investments in real estate and rights	0,00	0,00

Note 34

Inventory

	31.03.2025	**31.03.2024**
Raw materials	3 822 384,92	7 179 685,80
Semi-finished products and work in progress	4 623 257,32	2 766 698,06
Finished products	4 507,45	283 715,10
Goods for resale	12 804,55	10 180,30
Advances for deliveries	0,00	227 677,39
Total	**8 462 954,24**	**10 467 956,65**

Note 34a

Inventory - write offs

Type of Inventories	31.03.2025	31.03.2024
1. Raw Materials	571 132,35	91 132,35
2. Semi-finished products and work in progress	0,00	0,00
3. Finished products	0,00	0,00
4. Goods for resale	0,00	0,00

Note 35

Finance leases at the lessee

Items	The present value of the lease payments payable in the following periods			
	up to 1 year	from 1 to 3 years	from 3 to 5 years	over 5 years
passenger car Volkswagen Arteon SK073VV	34 700,77	31 980,72	0,00	0,00
scissor lift JCB S2632E	11 652,27	10 917,96	0,00	0,00
passenger car Skoda Octavia SK810WX	70 008,23	0,00	0,00	0,00
passenger car Skoda Octavia SK811WX	70 008,23	0,00	0,00	0,00
passenger car Skoda Octavia SK812WX	70 008,23	0,00	0,00	0,00
passenger car Skoda Octavia TK931CH	29 500,09	22 472,85	0,00	0,00
four roller plate roll machine MG4R3048G	148 368,23	335 016,99	380 239,27	332 640,31

Note 36

Ownership of tangible fixed ssets

	Freehold land	Land in perpetual usufruct	Buildings and constructions and separate strata title premises and rights to premises	Plant and equipment	Vehicles	Other fixed assets	Total
Tangible fixed assets owned	1 568 581,55	0,00	21 018 240,22	5 462 381,58	363 463,15	535 400,31	28 948 066,81
Tangible fixed assets used on the basis of rental, tenancy or other agreements, including lease agreements	0,00	0,00	0,00	1 517 294,00	667 967,46	0,00	2 185 261,46
used based on rental agreements	0,00	0,00	0,00	0,00	0,00	0,00	0,00
used based on tenancy agreements	0,00	0,00	0,00	0,00	0,00	0,00	0,00
used based on lease agreements	0,00	0,00	0,00	1 517 294,00	667 967,46	0,00	2 185 261,46
used based on other agreements (specify)	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total tangible fixed assets	**1 568 581,55**	**0,00**	**21 018 240,22**	**6 979 675,58**	**1 031 430,61**	**535 400,31**	**31 133 328,27**

Note 37

Ageing of short-term receivables

	Gross short-term receivables	of which: disputed receivables	Provision for doubtful debts	Net short-term receivables
1. Receivables from related parties	**78 887,80**	**0,00**	**0,00**	**78 887,80**
a) trade receivables due within 12 months	**78 887,80**	**0,00**	**0,00**	**78 887,80**
Opening balance	1 238 077,41	0,00	0,00	1 238 077,41
Closing balance, of which:	78 887,80	0,00	0,00	78 887,80
– current	78 887,80	0,00	0,00	78 887,80
– overdue by 1 month or less	0,00	0,00	0,00	0,00
– overdue by 1 to 3 months	0,00	0,00	0,00	0,00
– overdue by 3 to 6 months	0,00	0,00	0,00	0,00
– overdue by 6 months to 1 year	0,00	0,00	0,00	0,00
– overdue by more than 1 year	0,00	0,00	0,00	0,00
b) trade receivables due in more than 12 months	**0,00**	**0,00**	**0,00**	**0,00**
Opening balance	0,00	0,00	0,00	0,00
Closing balance, of which:	0,00	0,00	0,00	0,00
c) other	**0,00**	**0,00**	**0,00**	**0,00**
Opening balance	0,00	0,00	0,00	0,00
Closing balance, of which:	0,00	0,00	0,00	0,00

	Gross short-term receivables	of which: disputed receivables	Provision for doubtful debts	Net short-term receivables
2. Receivables from other parties	**3 445 933,81**	**0,00**	**380 654,10**	**3 065 279,71**
a) trade receivables due within 12 months	**2 786 246,11**	**0,00**	**380 654,10**	**2 405 592,01**
Opening balance	2 989 631,68	0,00	768 440,37	2 221 191,31
Closing balance, of which:	2 786 246,11	0,00	380 654,10	2 405 592,01
– current	1 166 716,09	0,00	0,00	1 166 716,09
– overdue by 1 month or less	781 255,94	0,00	0,00	781 255,94
– overdue by 1 to 3 months	78 259,84	0,00	0,00	78 259,84
– overdue by 3 to 6 months	38 830,20	0,00	0,00	38 830,20
– overdue by 6 months to 1 year	277 050,49	0,00	0,00	277 050,49
– overdue by more than 1 year	444 133,55	0,00	380 654,10	63 479,45
b) trade receivables due in more than 12 months	**0,00**	**0,00**	**0,00**	**0,00**
Opening balance	0,00	0,00	0,00	0,00
Closing balance, of which:	0,00	0,00	0,00	0,00
c) tax, subsidy and social insurance receivables	**585 598,84**	**0,00**	**0,00**	**585 598,84**
Opening balance	80 068,52	0,00	0,00	80 068,52
Closing balance, of which:	585 598,84	0,00	0,00	585 598,84
– current	585 598,84	0,00	0,00	585 598,84
– overdue by 1 month or less	0,00	0,00	0,00	0,00
– overdue by 1 to 3 months	0,00	0,00	0,00	0,00
– overdue by 3 to 6 months	0,00	0,00	0,00	0,00
– overdue by 6 months to 1 year	0,00	0,00	0,00	0,00
– overdue by more than 1 year	0,00	0,00	0,00	0,00
d) other receivables	**74 088,86**	**0,00**	**0,00**	**74 088,86**
Opening balance	17 352,00	0,00	0,00	17 352,00
Closing balance, of which:	74 088,86	0,00	0,00	74 088,86
– current	74 088,86	0,00	0,00	74 088,86
– overdue by 1 month or less	0,00	0,00	0,00	0,00
– overdue by 1 to 3 months	0,00	0,00	0,00	0,00
– overdue by 3 to 6 months	0,00	0,00	0,00	0,00
– overdue by 6 months to 1 year	0,00	0,00	0,00	0,00
– overdue by more than 1 year	0,00	0,00	0,00	0,00
e) receivables in court	**0,00**	**0,00**	**0,00**	**0,00**
Opening balance	0,00	0,00	0,00	0,00
Closing balance, of which:	0,00	0,00	0,00	0,00

Note 38

Short-term receivables from related parties (ownership structure)

	Gross short-term receivables	Provision for doubtful debts	Net short-term receivables
1. Trade receivables, of which from:	**78 887,80**	**0,00**	**78 887,80**
a) subsidiary companies	0,00	0,00	0,00
b) co-subsidiary companies	0,00	0,00	0,00
c) associated companies	0,00	0,00	0,00
d) significant investor	0,00	0,00	0,00
e) co-subsidiary's shareholder	0,00	0,00	0,00
f) holding company	78 887,80	0,00	78 887,80
2. Other, of which from:	**0,00**	**0,00**	**0,00**
a) subsidiary companies	0,00	0,00	0,00
b) co-subsidiary companies	0,00	0,00	0,00
c) associated companies	0,00	0,00	0,00
d) significant investor	0,00	0,00	0,00
e) co-subsidiary's shareholder	0,00	0,00	0,00
f) holding company	0,00	0,00	0,00
3. In court, of which from:	**0,00**	**0,00**	**0,00**
a) subsidiary companies	0,00	0,00	0,00
b) co-subsidiary companies	0,00	0,00	0,00
c) associated companies	0,00	0,00	0,00
d) significant investor	0,00	0,00	0,00
e) co-subsidiary's shareholder	0,00	0,00	0,00
f) holding company	0,00	0,00	0,00
Total short-term receivables from related parties	**78 887,80**	**0,00**	**78 887,80**

Note 39

Short-term receivables (currency structure)

	in PLN	in Euro	Translated EUR into PLN	Total short- term receivables in PLN
1. From related parties, of which from:	**78 887,80**	**0,00**	**0,00**	**78 887,80**
subsidiaries relating to:	0,00	0,00	0,00	0,00
co-subsidiary companies	0,00	0,00	0,00	0,00
sales of products and services	0,00	0,00	0,00	0,00
associates relating to:	0,00	0,00	0,00	0,00
significant investor relating to:	0,00	0,00	0,00	0,00
co-subsidiary's shareholder relating to:	0,00	0,00	0,00	0,00
holding company relating to:	78 887,80	0,00	0,00	78 887,80
sales of products and services	78 887,80	0,00	0,00	78 887,80
2. From other parties relating to:	**1 247 910,81**	**525 359,83**	**2 198 023,00**	**3 445 933,81**
sales of products and services	588 223,11	525 359,83	2 198 023,00	2 786 246,11
public-law liabilities	585 598,84	0,00	0,00	585 598,84
other	74 088,86	0,00	0,00	74 088,86

Note 40

Long-term liabilities to the holding company – ageing

Ageing	Credits and loans	Securities	Other financial liabilities	Finance leases	Other	Total
from 1 to 3 years						
beginning of period	0,00	0,00	0,00	0,00	0,00	0,00
end of period	0,00	0,00	0,00	0,00	0,00	0,00
from 3 to 5 years						
beginning of period	0,00	0,00	0,00	0,00	0,00	0,00
end of period	0,00	0,00	0,00	0,00	0,00	0,00
more than 5 years						
beginning of period	12 143 030,91	0,00	0,00	0,00	0,00	12 143 030,91
end of period	9 217 372,92	0,00	0,00	0,00	0,00	9 217 372,92
Total						
beginning of period	12 143 030,91	0,00	0,00	0,00	0,00	12 143 030,91
end of period	9 217 372,92	0,00	0,00	0,00	0,00	9 217 372,92

Note 41

Long-term liabilities (currency structure)

	in PLN	in Eur	Translated into PLN	Total long-term liabilities in PLN
1. To related parties, of which to:	**9 217 372,92**	**0,00**	**0,00**	**9 217 372,92**
subsidiaries relating to:	0,00	0,00	0,00	0,00
co-subsidiaries relating to:	0,00	0,00	0,00	0,00
associates relating to:	0,00	0,00	0,00	0,00
significant investor relating to:	0,00	0,00	0,00	0,00
co-subsidiary's shareholder relating to:	0,00	0,00	0,00	0,00
holding company relating to:	9 217 372,92	0,00	0,00	9 217 372,92
- loan	9 217 372,92	0,00	0,00	9 217 372,92
To other parties relating to:	**65 371,53**	**250 459,27**	**1 047 896,56**	**1 113 268,09**
leasing liabilities	65 371,53	250 459,27	1 047 896,56	1 113 268,09

Note 42

Short-term liabilities to holding company

	31.03.2025	31.03.2024
1. Credits and loans, of which:	**0,00**	**0,00**
– with a long-term repayment period	0,00	0,00
– debt securities	0,00	0,00
– dividends	0,00	0,00
2. Other financial liabilities, of which:	**0,00**	**0,00**
3. Trade payables, with due dates:	**453 124,74**	**465 796,07**
– within 12 months	453 124,74	465 796,07
– in more than 12 months	0,00	0,00
4. Advances received on deliveries	**0,00**	**0,00**
5. Promissory notes	**0,00**	**0,00**
Total	**453 124,74**	**465 796,07**

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Note 43

Short-term liabilities to other companies

	31.03.2025	31.03.2024
1. Credits and loans, of which:	**0,00**	**0,00**
– with a long-term repayment period	0,00	0,00
– debt securities	0,00	0,00
– dividends	0,00	0,00
2. Other financial liabilities, of which:	**434 246,06**	**123 807,13**
– leasing liabilities	434 246,06	123 807,13
3. Trade payables, with due dates:	**1 539 808,65**	**4 132 014,05**
– within 12 months	1 539 808,65	4 132 014,05
– in more than 12 months	0,00	0,00
4. Advances received on deliveries	**1 379 882,16**	**1 923 279,19**
5. Due to taxes, customs and social security	**824 497,85**	**1 241 004,30**
6. Promissory notes	**0,00**	**0,00**
7. Liabilities to employees due to salaries	**668 878,40**	**658 486,00**
8. Other	**28 462,08**	**29 110,15**
Total	**4 875 775,20**	**8 107 700,82**

Note 44

Short-term liabilities (currency structure)

	in PLN	in EUR	Translated EUR into PLN	in DKK	Translated DKK into PLN	Total short-term liabilities in PLN
1. To related parties, of which to:	**19 750,46**	**108 302,00**	**453 124,74**	**0,00**	**0,00**	**472 875,20**
subsidiaries relating to:	0,00	0,00	0,00	0,00	0,00	0,00
co-subsidiaries relating to:	0,00	0,00	0,00	0,00	0,00	0,00
trade payables	0,00	0,00	0,00			0,00
associates relating to:	0,00	0,00	0,00	0,00	0,00	0,00
significant investor relating to:	0,00	0,00	0,00	0,00	0,00	0,00
co-subsidiary's shareholder relating to:	0,00	0,00	0,00	0,00	0,00	0,00
holding company relating to:	19 750,46	108 302,00	453 124,74	0,00	0,00	472 875,20
loans	0,00	0,00	0,00	0,00	0,00	0,00
trade payables	19 750,46	108 302,00	453 124,74	0,00	0,00	472 875,20
2. To other parties relating to:	**3 085 626,79**	**426 547,99**	**1 789 272,72**	**1 561,50**	**875,69**	**4 875 775,20**
leasing liabilities	281 989,27	36 391,12	152 256,79	0,00	0,00	434 246,06
trade payables	1 072 621,41	111 453,80	466 311,55	1 561,50	875,69	1 539 808,65
advances received on deliveries	209 177,79	278 703,07	1 170 704,37	0,00	0,00	1 379 882,16
taxes and social security	824 497,85	0,00	0,00	0,00	0,00	824 497,85
salaries	668 878,40	0,00	0,00	0,00	0,00	668 878,40
other liabilities	28 462,08	0,00	0,00	0,00	0,00	28 462,08

Note 45

Short-term liabilities relating to credits and loans

Company name	Registered office	Loan amount according to the agreement in currency	Loan amount according to the agreement in PLN	Loan amount to pay in currency	Loan amount to pay in PLN	Interest conditions	Due date	Loan security	Other information, including information on defaults on a loan or breach of loan agreement, for which no remedial action has been taken by the end of the reporting period
Danstoker A/S	Industrivej Nord 13, 7400 Herning, Dania	20 000 000,00	20 000 000,00	9 217 372,92	9 217 372,92	Warsaw Interbank Offered Rate 3M + margin 1,25 p.p.	22.02.2033	does not occurred	not applicable
Total		**20 000 000,00**	**20 000 000,00**	**9 217 372,92**	**9 217 372,92**				

Note 46

Changes in intangible fixed assets

	Costs of completed research and development	Goodwill	Copy rights, neighboring rights, licenses and permits	Rights to inventions, patents, trademarks	Computer software	Other, including know-how	Total
Gross opening balance	**0,00**	**0,00**	**0,00**	**0,00**	**4 923,00**	**0,00**	**4 923,00**
Increases, of which:	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– acquisition	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– internal transfer	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– other	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Decreases	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– liquidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– disposal	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– internal transfer	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– other	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Gross closing balance	**0,00**	**0,00**	**0,00**	**0,00**	**4 923,00**	**0,00**	**4 923,00**
Accumulated amortization at beginning of period	**0,00**	**0,00**	**0,00**	**0,00**	**4 923,00**	**0,00**	**4 923,00**
Current amortization – increases	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Accumulated amortization – decreases	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– liquidation	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– disposal	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– internal transfer	0,00	0,00	0,00	0,00	0,00	0,00	0,00
– other	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Total accumulated amortization at end of period	**0,00**	**0,00**	**0,00**	**0,00**	**4 923,00**	**0,00**	**4 923,00**
Permanent impairment at beginning of period	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Increases	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Decreases	0,00	0,00	0,00	0,00	0,00	0,00	0,00
Permanent impairment at end of period	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Net book value at beginning of period	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Net book value at end of period	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**	**0,00**
Percent used up from opening value (%)	0%	0%	0%	0%	100%	0%	100%

Note 47

Cost of fixed assets under construction, including interest and foreign exchange differences that increase the cost of fixed assets under construction

	31.03.2025	31.03.2024
Cost of fixed assets under construction excluding interest and foreign exchange differences	25 092,47	0,00
Interest in the financial year increasing the cost of fixed assets under construction	0,00	0,00
Foreign exchange differences in the financial year increasing the cost of fixed assets under construction	0,00	0,00
Total	**25 092,47**	**0,00**

Note 48

Special funds

Item	31.03.2025	31.03.2024
Social fund	65 972,90	13 127,07
Company fund for the rehabilitation of the disabled	0,00	0,00
Housing cooperative repair and renovation fund	0,00	0,00
Total	**65 972,90**	**13 127,07**

Note 49

Cost settlement data

	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
I. Changes in the area of settled costs +/-	**843 564,66**	**1 003 545,51**
1. Relating to inventory differences	0,00	2 937,66
2. Written off discontinued production	0,00	0,00
3. Write off of costs with no economic effect	771 679,35	1 000 607,85
4. Production of fixed assets on its own	71 885,31	0,00
5. Other	0,00	0,00
II. Change in inventory, finished products and accrued costs +/-	**1 577 351,61**	**-3 175 825,41**
1. Finished products	-279 207,65	-84 354,82
2. Semi-finished products and work in progress	1 856 559,26	-3 091 470,59
3. Accrued costs	0,00	0,00

	01.04.2024 - 31.03.2025	01.04.2023 - 31.03.2024
III. Cost of goods sold	**34 438 638,13**	**42 708 316,53**
– cost of finished products sold	25 718 603,91	34 614 998,19
– cost of producing goods for the entity's own needs	71 885,31	2 937,66
– sales costs	2 035 782,16	2 239 994,58
– general administrative costs	6 612 366,75	5 850 386,10
IV. Cost of goods for resale and raw materials sold	**730 022,86**	**695 455,07**

Note 50
Accumulated profit (loss) from previous years

	31.03.2025	31.03.2024
Accumulated profit (loss) from previous years at beginning of period	**-10 829 236,76**	**-14 876 389,47**
Accumulated profit from previous years at beginning of period	4 047 152,71	336 152,64
– changes in accounting methods (policies)	0,00	0,00
– adjustments of errors	3,30	0,00
Adjusted accumulated profit from previous years at beginning of period	4 047 156,01	336 152,64
a) increases (relating to)	0,00	0,00
b) decreases (relating to)	4 047 152,71	336 152,64
– coverage of loss from previous years from profit	4 047 152,71	336 152,64
Accumulated profit from previous years at end of period	3,30	0,00
Accumulated loss from previous years at beginning of period	14 876 389,47	15 212 542,11
– changes in accounting methods (policies)	0,00	0,00
– adjustments of errors	0,00	0,00
Adjusted accumulated loss from previous years at beginning of period	14 876 389,47	15 212 542,11
a) increases (relating to)	0,00	0,00
– transfer of loss from previous years to be covered	0,00	0,00
b) decreases (relating to)	4 047 152,71	336 152,64
– coverage of loss from previous years from profit	4 047 152,71	336 152,64
Accumulated loss from previous years at end of period	10 829 236,76	14 876 389,47
Accumulated profit (loss) from previous years at end of period	-10 829 233,46	-14 876 389,47

Note 51
Changes in reserve capital

	31.03.2025	31.03.2024
Opening balance	**17 055 000,00**	**17 055 000,00**
increases (relating to)	**0,00**	**0,00**
– share premium	0,00	0,00
use (relating to)	**0,00**	**0,00**
Closing balance	**17 055 000,00**	**17 055 000,00**

Note 52

Financial risk factors and methods of financial risk management

Objectives and principles of financial risk management

The activities of the Entity are exposed to the following types of financial risk:

– market risk, including currency risk, interest rate risk and other price risk,

– liquidity risk,

– credit risk.

Basic principles of risk management

The Management Board is responsible for establishing and supervising the Company's risk management, including identifying and analysing the risks to which the Company is exposed, defining their appropriate limits and controls, as well as monitoring the risk and the degree of compliance with the limits. The risk management policies and procedures are subject to regular reviews to take into account changes in market conditions and changes in the Company's activities.

Market risk

Market risk is that changes in market prices, such as exchange rates, interest rates, and prices of capital instruments will affect the Company's results or the value of financial instruments held. The purpose of market risk management is to maintain and control the Company's exposure to market risk within the limits of the adopted parameters, while simultaneously striving to optimize the rate of return on investment.

a) Currency risk

Currency risk is mainly associated with changes in the EUR exchange rate. Exposure to the risk related to changes in exchange rates for the entity is significant due to the significant share of purchases in foreign currencies and the large share of sales revenues expressed in foreign currencies. The Company does not hedge against exchange rate risk and exchange rate fluctuations. Settlements with Group companies are made in Polish currency. Settlements with companies in foreign currencies, after reaching a significant level, will be secured by forward transactions.

b) Interest rate risk

The entity has liabilities under credits and loans for which interest is calculated based on a variable interest rate. This is a form of the so-called credit line granted by the sole shareholder Danstoker A/S for a total amount of PLN 20 million. The entity minimizes interest rate risk by appropriately shaping the structure of assets and liabilities, including trade liabilities and liabilities from received advances for deliveries.

c) Other price risk

The entity is exposed to losses due to changes in the prices of goods and materials. The aim of managing the risk of prices of goods and materials is to limit potential losses due to price changes to an acceptable level by shaping the structure of goods positions. The company protects itself against risk by setting the validity period of its sales offers and performing its services on material entrusted by Clients. The entity does not use derivative hedging instruments in the scope of price risk.

Liquidity risk

The entity is exposed to liquidity risk, understood as the risk of losing the ability to settle liabilities within specified deadlines. In the opinion of the Entity's Management Board, the value of cash, the loan in the form of a working capital loan and the portfolio of orders received mean that the Company is not exposed to the risk of losing financial liquidity.

Credit risk

The entity is exposed to credit risk understood as the risk that creditors will not meet their obligations and thus cause the Company to incur losses. The entity has many customers. The company applies the principle of making transactions with contractors with verified creditworthiness. The main source of exposure to credit risk are trade receivables. The majority of the Company's revenues are generated by the execution of orders and contracts for the delivery of boilers, heat exchangers, accessories and boiler room elements. The company protects itself against the risk of contractors' insolvency by insuring receivables and using prepayments.

Note 53

Financial instruments - Characteristics of financial instruments, including those not measured at fair value

Description	Characteristics (quantity)	A description of the methods and significant assumptions used to measure fair value, or reasons why fair value cannot be determined, and the limits of the range within which fair value may lie	Fair value or value at adjusted purchase price	Opening balance	Increases	Releases	Closing balance	Conditions and dates affecting the size, timing and certainty of future cash flows	Principles of entering purchased financial instruments into the accounting books
Financial assets held for trading, including:	0,00		0,00	0,00	0,00	0,00	0,00		
– derivatives	0,00		0,00	0,00	0,00	0,00	0,00		
– financial assets held for trading, valued at the adjusted purchase price due to the lack of reliable measurement	0,00		0,00	0,00	0,00	0,00	0,00		
Financial assets available for sale, including:	0,00		0,00	0,00	0,00	0,00	0,00		
– available-for-sale financial assets valued at the adjusted purchase price due to the lack of reliable measurement	0,00		0,00	0,00	0,00	0,00	0,00		
Loans granted and own receivables	0,00		0,00	4 783 397,74	0,00	2 468 594,54	2 314 803,20		
Financial assets held to maturity	0,00		0,00	0,00	0,00	0,00	0,00		
Financial liabilities held for trading, including:	0,00		0,00	0,00	0,00	0,00	0,00		
– derivatives	0,00		0,00	0,00	0,00	0,00	0,00		
Other financial liabilities	0,00		0,00	12 618 087,40	1 457 794,00	3 310 994,33	10 764 887,07		
Financial assets and liabilities not measured at fair value, including:	0,00		0,00	0,00	0,00	0,00	0,00		
– loans granted and own receivables not held for sale	0,00		0,00	0,00	0,00	0,00	0,00		
– financial assets held to maturity	0,00		0,00	0,00	0,00	0,00	0,00		
– financial assets for which there is no market price determined in active regulated trading and the fair value cannot be determined in any other reliable way	0,00		0,00	0,00	0,00	0,00	0,00		
– hedged financial assets	0,00		0,00	0,00	0,00	0,00	0,00		

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Note 54

Financial instruments - Interest income arising from financial assets

Cathegory of assets	Interest income calculated in accordance with the concluded contract				
	Total	Realised	Unrealised		
			Up to 3 months	From 3 months do 12 months	Above 12 months
Granted loans	0,00	0,00	0,00	0,00	0,00
Own receivables	0,00	0,00	0,00	0,00	0,00
Debt financial instruments, including:	0,00	0,00	0,00	0,00	0,00
– treasury bonds	0,00	0,00	0,00	0,00	0,00
– municipal bonds	0,00	0,00	0,00	0,00	0,00
– corporate bonds	0,00	0,00	0,00	0,00	0,00
– Treasury bills	0,00	0,00	0,00	0,00	0,00
– mortgage bonds	0,00	0,00	0,00	0,00	0,00
– certificates of deposit	0,00	0,00	0,00	0,00	0,00
Other (please specify)	0,00	0,00	0,00	0,00	0,00

Comments
The Company did not generate income from interest on bank deposits.

Note 55

Financial instruments - Interest expense arising from financial liabilities

Cathegory of liabilities	Interest income calculated in accordance with the concluded contract				
	Total	Realised	Unrealised		
			Up to 3 months	From 3 months do 12 months	Above 12 months
Liabilities classified as held for trading, including:	0,00	0,00	0,00	0,00	0,00
Long-term financial liabilities, including:	8 010 136,08	2 067 011,81	199 797,69	586 793,83	5 156 532,75
– loan from Danstoker A/S valid until 22.02.2033 (1)	7 555 428,63	1 907 091,48	172 772,67	520 216,60	4 955 347,89
– lease agreements	454 707,45	159 920,33	27 025,02	66 577,23	201 184,86
Short-term financial obligations, including:	0,00	0,00	0,00	0,00	0,00

Comments:
(1) - calculation assuming that the balance will be maintained at the current level (9 774 178,62 PLN),and with the Warsaw Interbank Offered Rate 3M interest rate of 5,84 p.p., agreement in the form of a credit line up to PLN 20 milion without a repayment schedule

Note 56

Financial instruments - Information on interest rate risk and credit risk

Type of financial instrument	Actual value	Redemption date or revaluation date	Effective interest rate	Type of risk	The estimated maximum amount of loss to which the entity would be exposed (without collateral) if the creditor defaulted
Other financial liabilities - Loan from Danstoker A/S	9 217 372,92		7,09%	rate	0,00
Lease agreements	1 547 514,15		7,59 - 7,99% (1)	rate	0,00
Loans granted and own receivables	2 314 803,20		0,00%	credit	2 314 803,20
Trade receivables	2 484 479,81		0,00%	credit	2 484 479,81

Comments:
(1) including he Warsaw Interbank Offered Rate 3M 5,84% (2) Loans granted and receivables consist of cash in hand and in bank accounts.

Ostrowiec Świętokrzyski, May 8th 2025

Financial statements prepared by

.....
Michał Musiał

Management Board

.....
Mahesh Bukinkere
President of the Board

.....
Peter Overgaard
Vice-President of the Board

.....
Sanjay Reddy
Member of The Board

THERMAX INTERNATIONAL TANZANIA LIMITED

Board of Directors
Bhavesh Kumar Chheda
Kirtiraj Rajendra Jilkar
Gaurav Sharma

Registered Office
Girl Guides building, 1st building,
1st Floor -Tower B
Plot No.1088 Kibasila Street, Upanga
P.O. Box 7323
Dar es Salaam, Tanzania

Auditors
BDO East Africa
Certified Public Accountants
ZO Spaces, 4th Floor, Plot No. 4
New Bagamoyo Road
P.O. BOX 9912
Dar es Salaam, Tanzania
PF No: 101

Bankers
Citibank Tanzania Limited
Citibank House, Plot 1962
P.O. Box 71625
Dar es Salaam, Tanzania

Company Secretary
PKF Advisory Limited
P.O. Box 7323
Dar es Salaam, Tanzania

REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2025

REPORT BY THOSE CHARGED WITH GOVERNANCE

1. INTRODUCTION

The members charged with governance present their report together with audited financial statements which disclose the state of affairs of Thermax International Tanzania Limited (the "Company"). This report has been prepared in accordance with the Tanzania Financial Reporting Standards (TFRS) No. 1, The report by those charged with governance issued by National Board of Accountants and Auditors (NBAA).

2. INCORPORATION

Thermax International Tanzania Limited is a private company limited by shares. It was registered in the United Republic of Tanzania on 7 December 2019 through Certificate of Incorporation number 140562629.

3. COMPANY'S VISION

To be a globally respected, high-performance organization offering sustainable solutions in energy and the environment.

4. COMPANY'S MISSION

Our mission is as listed below:

- ✓ We will harness best available technology, operational excellence and service innovation to our customers.
- ✓ We will be extremely service focused – predicting and fulfilling customer needs and expectations.
- ✓ Environment sustainability will be foundation of our business and will drive our thinking and actions at every time.
- ✓ Our services will enable long term economic benefit to our customers

5. PRINCIPAL ACTIVITIES AND RESOURCES

The company's principal activity is the manufacture and supply of industrial equipment, erection and commissioning of Power Plant and Substations.

By allocating capital to our businesses, we provide differentiation, create value and share it with our stakeholders, while also increasing our own capitals. We present below a brief description of the capitals that are most relevant to our business model.

Financial capital:

Financial capital is composed of the financial resources available and allocated to provision of services to our customers. These resources are obtained through funding from owner's equity and internally generated capital through operations (retained earnings).

Human resource:

This is composed of our employees and their skills and experiences, as well as their motivations to innovate and develop better services, in an ethical and responsible way, by means of their capabilities for management, leadership and cooperation.

Intellectual capital:

This is a collection of how the brand is perceived, its intellectual property, technical know- how, and the ability to be creative and innovative in provision of its products and deployment of technology. The entity places maximum emphasis on harnessing intellectual capital such as through implementation of digital business operation model.

Social and relationship resource:

This is mainly composed of ethical and transparent relationships with our customers, shareholders, investors, suppliers, regulatory agencies, government and society. This also includes the ability to share value with our stakeholders to enhance individual and collective well-being.

6. REVIEW OF FINANCIAL RESULTS AND ACTIVITIES

During the year, the Company managed to secure a contract with customer when compared to last year as a result revenue generated activities were performed.

Performance for the year

The Company made profit after tax of TZS 1,520,902,349; the profit is due to the Operation & Maintenance services.

(a) Statement of Financial Position

The Company recorded current liabilities of TZS 1,011,275,840, representing an increase of 6.04% compared to the previous year, primarily due to higher income tax liabilities.

The Company reported current assets of TZS 2,986,843,180, reflecting a 25.61% decrease from the previous year, mainly attributable to dividend payments made to shareholders during the year.

(b) Statement of profit or loss and other comprehensive income

The Company reported a profit after tax of TZS 1,520,902,349, reflecting a 12.92% increase from the previous year. This improvement is primarily attributed to the successful acquisition and execution of new utility Operation & Maintenance service contracts.

Revenue for the year amounted to TZS 6,812,743,573, marking a 6.97% growth over the previous financial year. This increase in revenue also stems from the Company's enhanced performance in the Operation & Maintenance service segment.

The strong profit performance is largely a result of efficient operations and increased service delivery under the new contracts secured during the year.

(c) Statement of Cash Flows

During the year, the Company recorded a positive cash flow of TZS 2,181,370,948, representing an increase of 11.16% compared to

the previous year. This growth was primarily driven by revenue from Operation & Maintenance services.

7. KEY PERFORMANCE INDICATORS AND LIQUIDITY

The following Key Performance Indicators (KPIs) are effective in measuring the delivery of the Company's strategy and managing business.

Key performance indicators	Definition and calculation method	Ratios	
		2025	2024
Net profit margin	Net profit/Total revenue	22.7%	23%
Current ratio	Current asset/Current liability	2.95	4.21

As at year end the member of those charged with governance are conversant on the entities ability to meet its current liabilities when they fall due.

8. DIVIDENDS

TZS 2,541,312,840 dividends were declared and paid to shareholder during the year, related to the financial year 2023–2024, out of surplus retained earnings and net profit (2024: Nil).

9. RISK MANAGEMENT AND INTERNAL CONTROL

The board accepts final responsibility for the risk management and internal control system of the company. It is the task of management to ensure that adequate internal financial and operational control systems are developed and maintained on an ongoing basis in order to provide reasonable assurance regarding:

- ✓ The effectiveness and efficiency of operations;
- ✓ The safeguarding of the company's assets;
- ✓ Compliance with applicable laws and regulations;
- ✓ The reliability of accounting records;
- ✓ Business sustainability under normal as well as adverse conditions; and
- ✓ Responsible behavior towards the stakeholders.

The efficiency of any internal control system is dependent on the strict observance of prescribed measures. There is always a risk of non-compliance with such measures by staff. Whilst no system of internal control can provide absolute assurance against misstatement or losses, the company system is designed to provide the Board with reasonable assurance that the procedures in place are operating effectively.

The board assessed the internal control systems throughout the year and is of the opinion that they met the accepted criteria.

10. PRINCIPAL RISKS AND UNCERTAINTIES

The entity 's activities expose it to a variety of financial risks including credit risk, liquidity risk, market risks and operational risks. The company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance. More details of the financial risks facing the entity are provided in Note 3.13 to the financial statements.

11. CAPITAL STRUCTURE AND SHAREHOLDING

The company's capital structure for the year under review is shown below:

Authorized share capital

6,325,000 ordinary shares of TZS 100 each (2024: 6,325,000 ordinary shares of TZS 100 each.

Called up and fully paid share capital

6,000,003ordinary shares of TZS 100 each (2024: 6,000,003 ordinary shares of TZS 100 each.

Shareholding

The total number of shareholders during the year 2025 was three. (2024: Three)

Shareholder	2025		2024	
	Number of shares	%	Number of shares	%
Thermax International Limited	**5,999,999**	**99.99993%**	5,999,999	99.99993%
Bhavesh Kumar Chheda	**1**	**0.00002%**	1	0.00002%
Kirtiraj Rajendra Jilkar	**3**	**0.00005%**	3	0.00005%
	6,000,003	**100%**	6,000,003	100%

12. COMPOSITION OF THE BOARD OF DIRECTORS

The directors of the Company at the date of this report and who have served since 1 April2024 (except otherwise mentioned) are:

No.	Name	Position	Age	Nationality	Qualification	Date of appointment	Date of appointment
1.	Bhavesh Kumar Chheda	Director	48	Indian	Chartered Accountant	07-12-2019	31-03-2025
2.	Kirtiraj Rajendra Jilkar	Director	55	Indian	Engineer	07-12-2019	
3.	Sunil Raina	Director	58	Indian	Engineer	07-12-2019	10-04-2024
4.	Gaurav Sharma	Director	47	Indian	Engineer	14-02-2025	

The Board is required to meet at least once a year and oversee the management of the business. During the year the Board met three times

Meeting attendance:

N0	Name of Director	Meeting -1	Meeting 2	Meeting-3
1	Bhavesh Kumar Chheda	✓	✓	✓
2	Kirtiraj Rajenda Jilkar	✓	✓	✓
3	Sunil Raina			
4	Gaurav Sharma			✓

13. MANAGEMENT

The day-to-day management of the Company is under Plant Operations Manager (POM) and is organized under the following departments:

- ✓ Operations department.
- ✓ Finance and administrations.

14. CORPORATE GOVERNANCE

The Board of directors consists of three (3) directors. The Board takes overall responsibility for the Company, including responsibility for identifying key risk areas, considering and monitoring investment decisions, considering significant financial matters, and reviewing the performance of management business plans and budgets. The Board is also responsible for ensuring that a comprehensive system of internal control policies and procedures is operative, and for compliance with sound corporate governance principles.

Company's corporate governance structure involves managing and controlling relationships amongst different stakeholders, Board of Directors, employees, customers, suppliers and the community at large. The Board and all employees observe values and ethical business in all its business interactions and relationships to stakeholders.

The Board is required to meet at least once a year. The Board delegates the day-to-day management of the business to the Directors assisted

by senior management. The Company is committed to the principles of effective corporate governance. The directors also recognize the importance of integrity, transparency and accountability. The Board met three during the year

15. SOLVENCY

Those charged with governance confirms that applicable accounting standards have been followed and that the financial statements have been prepared on a going concern basis.

The members have reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future.

16. EMPLOYEES' WELFARE

Management and employees' relationship

There were continued good relations between employees and management for the year 2025. There were no unresolved complaints received by Management from the employees during the year. A healthy relationship continues to exist between management and the trade union for the period under review.

The Company is an equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability, which does not impair ability to discharge duties.

Training facilities

Training programs have been and are continually being developed to ensure employees are adequately trained at all levels. All employees have some form of annual training to upgrade skills and enhance development.

Medical assistance

All members of staff with a maximum number of four beneficiaries (dependents) for each employee were availed medical insurance guaranteed by the Board. Currently these services are provided through Future Generali Life Insurance (FGLI)

Financial assistance to Staff

Staff advances are available to all confirmed employees depending on the assessment of and the discretion of management as to the need and circumstances.

Persons with Disabilities

Applications for employment by disabled persons are always considered, bearing in mind the aptitudes of the applicant concerned. In the event of members of staff becoming disabled, every effort is made to ensure that their employment with the Company continues and appropriate training is arranged. It is the policy of the Company that training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees.

Employees Benefit Plan

The Company pays contributions to a publicly administered pension plan on mandatory basis which qualifies to be a defined contribution plan.

17. GENDER PARITY

The Company is equal opportunity employer. It gives equal access to employment opportunities and ensures that the best available person is appointed to any given position free from discrimination of any kind and without regard to factors like gender, marital status, tribes, religion and disability which does not impair ability to discharge duties.

18. RELATED PARTY TRANSACTIONS

The details of the related party transactions and balances are disclosed in Note 15 to these financial statements.

19. SUBSEQUENT EVENTS

There are no material events after the reporting period which require adjustment to, or disclosure, in the financial statements.

20. POLITICAL AND CHARITABLE DONATIONS

The Company did not make any political or charitable donations during the year (2024: NIL).

21. CORPORATE SOCIAL RESPONSIBILITY

During the period the company did not participate in any community activities and development programs however the company intend in future to engage in corporate social responsibility.

22. FUTURE DEVELOPMENT PLANS

The Company intends to increase its customer base, give support to local customers, expand and secure profit of the shareholders.

23. STATEMENT OF COMPLIANCE

The directors' report has been prepared in full compliance with Tanzania Financial Reporting Standard No. 1 (Directors' Report) and constitutes an integral part of the financial statements.

24. AUDITOR

The auditor BDO East Africa has expressed the willingness to continue in office in accordance with Section 170(1) of the Companies Act, 2002. A resolution to re-appoint BDO East Africa as the auditor of the Company will put presented to the Company's Annual General Meeting.

Approved by the Order of the Board and signed on its behalf by:

Gaurav Sharma
Director
Date : 6th May 2025

THERMAX INTERNATIONAL TANZANIA LIMITED

STATEMENT OF THOSE CHARGED WITH GOVERNANCE RESPONSIBILITIES FOR THE YEAR ENDED 31 MARCH 2025

The Companies Act, 2002 requires the directors to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the company as at the end of the financial year and of the operating results of the company for that year. It also requires the directors to ensure the company keeps proper accounting records which disclose with reasonable accuracy at any time the financial position of the company. They are also responsible for safeguarding the assets of the company.

The directors are responsible for the preparation and fair presentation of these financial statements in accordance with IFRS Accounting Standards and the provisions of the Companies Act, 2002. This responsibility includes: designing, implementing and maintaining internal controls relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error, selecting and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

The directors accept responsibility for the annual financial statements, which have been prepared using appropriate accounting policies supported by reasonable and prudent judgments and estimates, in conformity with IFRS Accounting Standards and in the manner required by the Companies Act, 2002. The directors are of the opinion that the financial statements give a true and fair view of the state of the financial affairs of the company and of its operating results. The directors further accept responsibility for the maintenance of accounting records which may be relied upon in the preparation of financial statements, as well as adequate systems of internal financial control.

Nothing has come to the attention of the directors to indicate that the company will not remain a going concern for at least the next twelve months from the date of this statement. On this basis, the directors consider it appropriate to prepare the financial statements on the going concern basis.

Approval of the financial statements:

The annual financial statements of Thermax International Tanzania Limited as identified were approved and authorized on behalf of the Board of Directors and signed by the following director.

Gaurav Sharma
Director

Date : 6th May 2025

DECLARATION OF HEAD OF FINANCE FOR THE YEAR ENDED 31 MARCH 2025

The National Board of Accountants and Auditors (NBAA) according to the power conferred under the Auditors and Accountants (Registration) Act. No. 33 of 1972, as amended by Act No. 2 of 1995, requires financial statements to be accompanied with a declaration issued by the head of finance responsible for the preparation of financial statements of the entity concerned.

It is the duty of a Professional Accountant to assist the Board of Directors to discharge the responsibility of preparing financial statements of an entity showing true and fair view of the entity position and performance in accordance with applicable International Accounting Standards and statutory financial reporting requirements. Full legal responsibility for the preparation of financial statements rests with the Board of Directors as under Directors Responsibility statement on an earlier page.

I, Fadhili Mbwaga being the financial consultant of Thermax International Tanzania Limited hereby acknowledge my responsibility of ensuring that financial statements for period since incorporation to 31 March 2025 have been prepared in compliance with applicable accounting standards and statutory requirements.

I thus confirm that the financial statements give a true and fair view position of Thermax International Tanzania Limited as on that date and that they have been prepared based on properly maintained financial records.

Signed by:

Position: Financial Consultant

NBAA Membership No: ACPA 3783

Date : 6th May 2025

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF THERMAX INTERNATIONAL TANZANIA LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Thermax International Tanzania Limited ("the Company") which comprise:

- the statement of financial position as at 31 March 2025,
- the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and
- notes to the financial statements, including material accounting policy information

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Thermax International Tanzania Limited as at 31 March 2025, and its financial performance and its cash flows for the year then ended in accordance with IFRS Accounting Standards as issued by the International Accounting Standards Board and in the manner required by the companies Act, 2002.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). 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 ethical requirements that are relevant to our audit of the financial statements in Tanzania, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

Management is responsible for the other information. The other information obtained at the date of this auditor's report is company information, report by those charged with governance statement of responsibility by those charged with governance and declaration of head of finance. The other information does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this auditor's report, 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

Management is responsible for the preparation and fair presentation of the financial statements in accordance with IFRS Accounting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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 charged with governance are 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 ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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 the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 auditors' 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 auditors' 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.

Report on other legal and regulatory requirements

This report, including the opinion, has been prepared for, and only for, the company's members as a body in accordance with the Companies Act, 2002 and for no other purposes.

As required by the Companies Act, 2002, we are also required to report to you if, in our opinion, the , report by those charged with governance is not consistent with the financial statements, if the company has not kept proper accounting records, if the financial statements are not in agreement with the accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding directors' remuneration and transactions with the company is not disclosed. In respect of the foregoing requirements, we have no matter to report.

Signed by:

Ali Selemani, ACPA 1874

For and behalf of BDO East Africa

Dar es Salaam, Tanzania

Date : 8th May 2025

THERMAX INTERNATIONAL TANZANIA LIMITED

FINANCIAL STATEMENT FOR THE YEAR ENDED 31 MARCH 2025
STATEMENT OF FINANCIAL POSITION

		2025		2024	
		TZS	**Rs. Lacs**	TZS	Rs. Lacs
Assets					
Non Current Asstes	Notes				
Equipment	10	**381,553**	**0.12**	541,471	0.18
Deferred Tax Asset	9	**149,742,160**	**47.77**	84,149,188	27.26
		150,123,713	**47.89**	84,690,659	27.44
Current Asset					
Trade & other Receivables	11	**2,614,086,358**	**833.89**	3,282,381,741	1,063.49
Cash Balances	12	**372,756,822**	**118.91**	732,698,714	237.39
		2,986,843,180	**952.80**	4,015,080,455	1,300.89
Total Assets		**3,136,966,893**	**1,000.69**	4,099,771,114	1,328.33
EQUITY AND LIABILITIES					
Equity and Equity Components					
Share Capital	13	**600,000,300**	**191.40**	600,000,300	194.40
Retained Earnings		**1,525,690,752**	**486.70**	2,546,101,243	824.94
Total Equity and Liabilities		**2,125,691,052**	**678.10**	3,146,101,543	1,019.34
LIABILITIES					
Current Liabilities					
Trade & Other Payable	14	**874,586,159**	**278.99**	907,232,844	293.94
Income Tax Payable	8(C)	**136,689,682**	**43.60**	46,436,727	15.05
Total Liabilities		**1,011,275,840**	**322.60**	953,669,571	308.99
Total liabilities and equity		**3,136,966,893**	**1,000.69**	4,099,771,114	1,328.33

The financials statements on pages 12 to 31 were authorized for issue by the board of director's and were signed on its behalf by

Gaurav Sharma
Director
Date : 6th May 2025

Exchange Rate : as at 31 March 2025 is 1 TZS = Rs 0.0319
Exchange Rate : as at 31 March 2024 is 1 TZS = Rs 0.0324

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	NOTE	2025		2024	
		TZS	**Rs. Lacs**	TZS	Rs. Lacs
Revenue	4	**6,606,130,325**	**2,107.36**	5,924,273,971	1,919.46
Other revenue	5	**206,613,248**	**65.91**	444,495,158	144.02
Total revenue		**6,812,743,573**	**2,173.27**	6,368,769,129	2,063.48
Employment benefits	6	**(3,003,602,774)**	**(958.15)**	(2,831,366,869)	(917.36)
Other operating expenses	7	**(1,636,263,239)**	**(521.97)**	(1,582,502,664)	(512.73)
Depreciation	10	**(159,918)**	**(0.05)**	(226,178)	(0.07)
Total expenses		**(4,640,025,931)**	**(1,480.17)**	(4,414,095,711)	(1,430.17)
Profit before tax		**2,172,717,642**	**693.10**	1,954,673,418	633.31
Tax charges	8(a)	**(651,815,293)**	**(207.93)**	(607,810,357)	(196.93)
Profit after tax		**1,520,902,349**	**485.17**	1,346,863,061	436.38

STATEMENT OF CASH FLOW

		2025		2024	
		TZS	**Rs. Lacs**	TZS	Rs. Lacs
Cash generated from operations					
Profit after tax		**1,520,902,349**	**485.17**	1,346,863,061	436.38
Adjust for non cash items					
Depreciation	10	**159,918**	**0.05**	226,178	0.07
Income tax expenses	8(a)	**651,815,293**	**207.93**	607,810,357	196.93
		2,172,877,560	**693.15**	1,954,899,596	633.39
Working capital changes					
Movement trade & receivable		**668,295,383**	**213.19**	215,052,837	69.68
Movement in trade and other payables		**(32,646,686)**	**(10.41)**	202,080,020	65.47
		635,648,697	**202.77**	2,372,032,453	768.54
Income tax paid		**(627,155,309)**	**(200.06)**	(756,409,268)	(245.08)
Net cash flow generated in operations		**2,181,370,948**	**695.86**	1,615,623,185	523.46
Cash flow from financing activities					
Dividend Paid		**(2,541,312,840)**	**(810.68)**	(2,893,056,000)	(937.35)
Net cash flow from financing activities		**(2,541,312,840)**	**(810.68)**	(2,893,056,000)	(937.35)
Cash and cash equivalents at the beginning of the year		**732,698,714**	**237.39**	2,010,131,529	651.28
Increase/(Decrease) in cash and cash equivalents for the year		**(359,941,892)**	**(114.82)**	(1,277,432,815)	(413.89)
Cash and cash equivalents at the end of year		**372,756,822**	**122.57**	732,698,714	237.39

STATEMENT OF CHANGES IN EQUITY

	Share Capital		**Accumulated Profits**		**Total**	
	TZS	**Rs. Lacs**	**TZS**	**Rs. Lacs**	**RM**	**Rs Lacs**
Year ended 31 March 2025						
At Start of year	600,000,300	191.40	2,546,101,243	824.94	3,146,101,543	1,019.34
Profit for the year	-		1,520,902,349	485.17	1,520,902,349	485.17
Dividend Paid	-		(2,541,312,840)	(810.68)	(2,541,312,840)	(810.68)
As at 31 March 2025	**600,000,300**	**191.40**	**1,525,690,752**	**486.70**	**2,125,691,052**	**678.10**

	Share Capital		**Accumulated Profits**		**Total**	
	TZS	**Rs. Lacs**	**TZS**	**Rs. Lacs**	**TZS**	**Rs. Lacs**
Year ended 31 March 2024						
At Start of year	600,000,300	194.40	4,092,294,182	1,325.90	4,692,294,482	1,520.30
Profit for the year	-		1,346,863,061	436.38	1,346,863,061	436.38
Dividend Paid	-		(2,893,056,000)	(937.35)	(2,893,056,000)	(937.35)
As at 31 March 2024	**600,000,300**	**194.40**	**2,546,101,243**	**824.94**	**3,146,101,543**	**1,019.34**

THERMAX INTERNATIONAL TANZANIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Thermax International Tanzania Limited ("the Company") principal activities include manufacture and supply of industrial equipment, erection and commissioning of Power Plant and Substations and is incorporated in Tanzania as a private limited liability Company.

The address of its registered office and principal place of business are disclosed on page ii.

2. BASIS OF PREPARATION

The principal accounting policies applied in the preparation of Financial Statements are set out below. The policies have been consistently applied to all the years presented, unless otherwise stated. The company Financial Statements are presented in Tanzania Shillings (TZS), which is also the company's functional currency. Financial Statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB). The preparation of financial statements in compliance with IFRS requires the use of certain critical accounting estimates. It also requires Company management to exercise judgment in applying the company's accounting policies. The prior year amounts have been presented to be consistent with the presentation in the current year. The company Financial Statements have been prepared on the historical cost basis except for certain financial instruments which are measured at fair value.

The preparation of financial statements in compliance with IFRS Accounting Standard requires the use of certain critical accounting estimates. It also requires Company management to exercise judgment in applying the Company's accounting policies. The areas where significant judgments and estimates have been made in preparing the financial statements and their effect are disclosed in note 2.1

2.1 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements in conformity with IFRS Accounting Standards requires management, to make judgements, estimates and assumptions that may affect the application of policies and reported amounts of assets, liabilities, income and expenses. These estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. The estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision only affects that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Certain accounting policies have been identified where management has applied a higher degree of judgement that have significant effect on the amounts recognized in the financial statements, or estimates and assumptions that have a significant risk of causing a material adjustment to carrying amounts of assets and liabilities within the next financial year.

2.1.1 Critical judgements in applying the Company's accounting policies

The following are the critical judgements, apart from those involving estimations (which are presented separately below), that the Directors have made in the process of applying the Company's accounting policies and that have the most significant effect on the amounts recognized in the financial statements.

a. Assets useful lives and residual values

Property and equipment are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed at each financial year end and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation, product life cycles and maintenance programs are taken into account.

2.1.2 Key sources of estimation uncertainty

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 disclosed below

a. Deferred tax assets

Deferred tax assets are recognized to the extent it is possible that taxable income will be available in the future against which they can be utilized. Future taxable profits are estimated based on budgets which include estimates and assumptions regarding economic growth, interest, inflation, tax rates and competitive forces.

b. Impairment of financial assets

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables.

In the process of applying the Company's accounting policies, the directors made judgements in determining whether assets are impaired. For trade receivable balances, the directors have determined expected credit loss by assessing individually each trade receivable balance.

Factors considered in making the assessment of whether the balance is impaired are such as past history with the customer, economy of the business and customer relationship with Company at the time of making assessment.

Impairment of trade receivables is further explained in Note 3.4 below.

2.2 Going Concern

The company's financial statements have been prepared on a going concern basis. Directors are of the view that there are sufficient resources for the Company to continue operating in a foreseeable future.

2.3 New Standards and Interpretations

In the current year, the Company has applied all of the new and revised Standards and Interpretations issued by the International Accounting Standards Board (IASB) and the International Financial Reporting Committee (IFRIC) of the IASB that are relevant to its operations and effective for accounting periods beginning on or after 1 April 2024

2.3.1 New and revised Standards and Interpretations that are effective and adopted in the current year.

New standards, interpretations and amendments effective from 1 January 2024

The following amendments are effective for the period beginning 1 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS16);
- Classification of Liabilities as Current or Non-Current (Amendments to IAS 1); and
- Non-current Liabilities with Covenants (Amendments to IAS 1).

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2024. See the applicable notes for further details on how the amendments affected the Company.

Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7)

On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures.

NOTES TO THE FINANCIAL STATEMENTS

The amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The amendments also provide guidance on characteristics of supplier finance arrangements.

These amendments had no effect on the financial statements of the company.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16)

On 22 September 2022, the IASB issued amendments to IFRS 16 — Lease Liability in a Sale and Leaseback (the Amendments).

Prior to the Amendments, IFRS 16 did not contain specific measurement requirements for lease liabilities that may contain variable lease payments arising in a sale and leaseback transaction. In applying the subsequent measurement requirements of lease liabilities to a sale and leaseback transaction, the Amendments require a seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

These amendments had no effect on the financial statements of the company.

Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1).

The IASB issued amendments to IAS 1 in January 2020 Classification of Liabilities as Current or Non-current and subsequently, in October 2022 Non-current Liabilities with Covenants.

Lease Liability in a Sale and Leaseback (Amendments to IFRS 16) (continued)

The amendments clarify the following:

- An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period.
- If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the company.

2.3.2 Standards and interpretations not yet effective

There are a number of standards, amendments to standards and interpretations which have been issued by the IASB that are effective in future accounting periods that the company has decided not to adopt early.

Standard/Interpretation	Effective Date Years beginning on or after	Expected Impact
Lack of Exchangeability (Amendment to IAS 21 The Effects of Changes in Foreign Exchange Rates)	January 1, 2025	Unlikely there will be a material impact
Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial Instruments and IFRS 7)	January 1, 2026	Unlikely there will be a material impact
Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)	January 1, 2026	Unlikely there will be a material impact
IFRS18 Presentation and Disclosure in Financial Statements	January 1, 2027	Unlikely there will be a material impact
IFRS19 Subsidiaries without Public Accountability: Disclosures	January 1, 2027	Unlikely there will be a material impact

3. MATERIAL ACCOUNTING INFORMATION

The principal accounting policies applied in the preparation of these financial statements are set out below. These policies have been consistently applied to all years presented, unless otherwise stated.

3.1 Foreign currency translation

a. Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Tanzania Shilling ("TZS) which is the Company's functional currency.

b. Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognized in profit or loss and other comprehensive income.

Foreign exchange gains and losses that relate to borrowings and cash and cash equivalents are presented in profit or loss within 'finance income or cost'. All other foreign exchange gains and losses are presented in profit or loss within 'other income or expenses.

3.2 Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is recognized when it has approval and commitment from both parties, the rights of the parties are identified, payment terms are identified, the contract has commercial substance and collectability of consideration is probable.

Revenue is primarily derived from sale of plant commissioning and maintenance services to customers. Revenue is recognized on a time proportion basis under the contracts.

The five-step model stipulated in IFRS 15 Revenue from contracts with customers is applied when accounting for revenue from contracts with customers. The Company accounts for a revenue contract with a customer only when all the following criteria are met:

- Identify contracts with customers
- Identify the separate performance obligation
- Determine the transaction price of the contract

- Allocate the transaction price to each of the separate performance obligations, and
- Recognise the revenue as each performance obligation is satisfied.

It is probable that the Company will collect the consideration to which it will be entitled in exchange for the goods or services that will be transferred to the customer.

3.3 Equipment

Property and equipment are stated at historical cost less depreciation. Historical costs include expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of the replaced part is de-recognised. All other repairs and maintenance are charged to the statement of profit or loss in during the financial period in which they are incurred.

Depreciation on items of equipment is calculated using diminishing value method to allocate their cost to the residual values over their estimated useful lives, as follows:

ASSET TYPE	RATE
Office equipment	33.3%

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Equipment is reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows (cash-generating units). Non-financial assets that suffered impairment are reviewed for possible reversal of the impairment at each reporting date.

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount and are included in profit or loss.

3.4 Trade and other receivables

Trade receivables are amounts due from customers for services performed in the ordinary course of business. If collection is expected in one year or less, they are classified as current assets. If not, they are presented as non-current assets. Trade receivables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method less provision for impairment.

Impairment provisions for trade receivables are recognised based on the simplified approach within IFRS 9 using a provision matrix in the determination of the lifetime expected credit losses.

Other receivables are measured at initial recognition at fair value, and are subsequently measured at amortised cost using the effective interest rate method. Appropriate allowances for estimated irrecoverable amounts are recognised in profit or loss when there is objective evidence that the asset is impaired. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy or financial reorganisation, and default or delinquency in payments are considered indicators that the trade receivable is impaired.

Prepayments and advances to staff for expenses are not considered as financial assets.

3.5 Cash and cash equivalents

Cash and cash equivalents include cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less.

3.6 Dividends

Dividends on ordinary shares are charged to equity in the period in which they are declared. Proposed dividends are shown as a separate component of equity until declared.

3.7 Income tax

The tax expense for the period comprises current and deferred income tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other

a. Current income tax

The current income tax charge is calculated on the basis of the tax enacted or substantively enacted at the reporting date. The directors periodically evaluate positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

b. Deferred income tax

Deferred income tax is recognised, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantively enacted at the reporting date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income taxes assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

3.8 Employee benefits

a. Retirement benefits obligations

The Company operates a defined benefit scheme for unionized employees. The Company and all its unionized employees also contribute to the National Social Security Fund, which qualifies to be a defined contribution scheme.

A defined contribution plan is a pension plan under which the Company pays contributions to a publicly administered pension plan on mandatory basis. The Company has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The contributions are recognized as employee benefit expense when they are due. A defined benefit plan is a retirement benefit plan that is not a defined contribution plan.

b. Short-term employee benefits

The cost of short-term employee benefits, (those payable within 12 months after the service is rendered, such as paid vacation leave and sick leave, bonuses, and non-monetary benefits such as medical

NOTES TO THE FINANCIAL STATEMENTS

care), are recognised in the period in which the service is rendered and are not discounted.

The expected cost of compensated absences is recognised as an expense as the employees render services that increase their entitlement or, in the case of non-accumulating absences, when the absence occurs.

3.9 Share capital

Ordinary shares are recognised at par value and classified as 'share capital' in equity. Any amounts received from the issue of shares in excess of par value is classified as 'share premium' in equity. Dividends are recognised as a liability in the year in which they are declared.

3.10 Trade payables

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Accounts payable are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities. Trade payables are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method.

3.11 Provisions

Provisions are recognized when the Company has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated. Restructuring provisions comprise lease termination penalties and employee termination payments. Provisions are not recognized for future operating losses.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognized as interest expense.

3.12 Financial instruments

All financial instruments are initially recognized at fair value, plus, in the case of financial assets and liabilities not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition or issue. Financial instruments are recognized when the Company becomes a party to the contractual arrangements. All regular way transactions are accounted for on trade date. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the period generally established by regulation or convention in the market place. In the current year, the Company has adopted IFRS 9 and all financial assets and liabilities were classified at amortized cost; and financial liabilities at amortized cost.

Classification and measurement under IFRS 9

Trade and other receivables and bank balances are initially recognized when they are originated. All other financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial assets or financial liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issued. A trade receivable without a significant financing component is initially measured at the transaction price. On initial recognition, a financial asset is classified as measured at: amortized cost; FVOCI debt investment; FVOCI or FVTPL. The classification depends on the business model applied and the cash flow characteristics of an asset.

Business model: The business model reflects how the Company manages the assets to generate cash flows. That is, whether the Company's objective is solely to collect the contractual cash flows from the assets or is to collect both the contractual cash flows and cash flows arising from the sale of assets, if neither of these is applicable, then the financial assets are classified as part of 'other' business model and measured at FVPL. Factors considered by the Company in determining the business model for assets include past experience on how the cash flows of these assets were collected, how the performance of the assets is evaluated and reported to key management personnel, the risks that affect the performance of the business model (and the financial assets within) and in particular, the way that those risks are managed; and how assets managers are compensated.

Cash flow characteristic of the asset : Where the business model is to hold assets to collect contractual cash flows or to collect contractual cash flow and sell, the Company assesses whether the financial instruments' cash flows represent solely payments of principal and interest (the SPPI test). In making this assessment. The Company considers whether the contractual cash flows are consistent with a basic lending arrangement i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement i.e., interest includes only consideration for the time value of money, credit risk, other basic lending risks and a profit margin that is consistent with a basic lending arrangement. Where the contractual terms introduce exposure to risk or volatility that are inconsistent with a basic lending arrangement the related financial asset is classified and measured at FVPL.

Impairment of financial assets

The Company applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due. The Company has therefore concluded that the expected loss rates for rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

Impairment of non-financial assets

Intangible assets that have an indefinite useful life or intangible assets not ready to use are not subject to amortization and are tested annually for impairment. Assets that are subject to amortization are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). Prior impairments of nonfinancial assets (other than goodwill) are reviewed for possible reversal at each reporting date.

3.13 Financial risk factors

The Company's activities expose it to a variety of financial risks: market risk (including foreign exchange risk and interest rate risk), credit risk and liquidity risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on its financial performance. The Company does not hedge any of its risk exposures.

Financial risk management is carried out by the finance department under policies approved by the Board of Directors.

Market risk

a. Foreign exchange risk

As and when the need arises, the Company enters into transactions denominated in foreign currencies (primarily US dollar). In addition, the Company has financial assets and liabilities denominated in US dollar. As a result, the Company is subject to transaction and translation exposure from fluctuations in foreign currency exchange rates. The effect of foreign currency risk is not significant and therefore management does not hedge against this risk.

b. Price risk

The Company does not hold any financial instruments subject to price risk.

c. Interest rate risk

The Company does not hold any financial instruments subject to interest rate risk.

Credit risk

Credit risk arises from cash and cash equivalents and deposits with banks and financial institutions as well as credit exposures to customers, including outstanding receivables and committed transactions. Credit risk is the risk that counterparty will default on its contractual obligations resulting in financial loss to the Company.

Credit risk is managed by the finance department. Credit risk arises from cash at bank and short- term deposits with banks, as well as trade and other receivables.

For banks and financial institutions, only reputable well-established financial institutions are accepted. For trade receivables, the finance department assesses the credit quality of the customer, taking into account its financial position, past experience and other factors. The Company does not grade the credit quality of receivables. Individual risk limits are set based on internal ratings in accordance with limits set by the board. The utilization of credit limits is regularly monitored.

Trade receivables are written off where there is no reasonable expectation of recovery indicators that there is no reasonable expectation of recovery include, amongst others, the failure of a debtor to engage in a repayment plan with the Company.

Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they fall due. Prudent liquidity risk management includes maintaining sufficient cash balances, and the availability of funding from an adequate amount of committed credit facilities.

The Company's approach when managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, without incurring unacceptable losses or risking damage to the Company's reputation.

3.14 Capital risk management

The Company's objectives when managing capital are to safeguard the Company's ability to continue as a going concern in order to provide returns to shareholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may adjust the number of dividends paid to shareholders or issue new shares.

The Company is fully financed by equity as a result it does not monitor capital on the basis of the gearing ratio.

4. REVENUE

	2025	2024
	TZS	TZS
Revenue from Contract	**6,606,130,325**	5,924,273,971
Work in progress release	**-**	-
	6,606,130,325	5,924,273,971

5. OTHER INCOME

	2025	2024
	TZS	TZS
Interest and Penalty Reverse	**-**	4,146,204
Income Tax refund Prior Period	**3,881,572**	-
Realised exchange gain	**120,722,237**	403,595,581
Unrealised exchange gain	**82,009,439**	36,753,373
	206,613,248	444,495,158

6. STAFF COST

	2025	2024
	TZS	TZS
Salaries and Wages	**2,421,662,403**	2,237,343,660
National Social Security Fund	**242,166,241**	223,734,366
Skills and Development Levy	**84,758,184**	80,701,713
Workers' compensation	**16,347,562**	11,186,719
Severance pays - Provision	**44,505,648**	73,518,109
Employment Taxes	**51,187,002**	72,422,660
Work permit	**142,975,735**	132,459,642
	3,003,602,774	2,831,366,869

7. OTHER OPERATING EXPENSES

	2025	2024
	TZS	TZS
Unrealised exchange Loss on working capital items	**19,262,224**	42,742,922
Realised exchange loss on working capital items	**37,022,592**	24,459,441
Provision for Bad and Doubtful Debts	**168,044,327**	163,101,847
Miscellaneous	**3,155,575**	5,509,825
Interest and penalties	**-**	4,345,478
Power & Fuel	**40,575,778**	41,797,491
Professional fees	**103,614,635**	108,963,002
Rates & Taxes	**45,889,765**	38,786,104
Marketing	**22,173,892**	7,071,552
Internet and Communication	**3,254,866**	2,905,000
Office expenses	**3,655,976**	3,049,246
Hotel Rent	**242,088,874**	222,203,390
Repair and maintenance	**-**	-
Site expenses	**731,563,039**	757,243,142
Staff welfare	**1,710,145**	1,038,500
Travel	**184,825,051**	159,285,724
Commission & Tender	**29,426,500**	-
	1,636,263,239	1,582,502,664

8. TAXATION

	2025	2024
	TZS	TZS
(a) Current tax expenses		
Current tax - current year	**717,408,265**	655,527,629
Deferred tax credit	**(65,592,972)**	(47,717,272)
	651,815,293	607,810,357

NOTES TO THE FINANCIAL STATEMENTS

	2025	2024
	TZS	TZS
(b) Tax reconciliation		
Profit Before tax	**2,172,717,642**	1,954,673,418
Theoretical tax charge i.e 30% of profit before tax	**651,815,293**	586,402,025
Explained by:		
Permanent disallowable expenses	**-**	21,197,793
Prior year under provision of deferred	**-**	210,539
	651,815,293	607,810,357
(C) Tax balance		
As at 1 April	**46,436,727**	147,318,366
Current tax	**717,408,265**	655,527,629
Tax payment	**(655,550,996)**	(728,013,581)
Payment for additional assessment	**28,395,687**	(28,395,687)
As at 31 March	**136,689,682**	46,436,727
(d) Tax Paid		
Tax payment	**(655,550,996)**	(728,013,581)
Receipt (Payment) for additional assessment	**28,395,687**	(28,395,687)
	(627,155,309)	(756,409,268)

9. DEFERRED TAX

	2025	2024
	TZS	TZS
At the beginning of the year	84,149,188	36,431,916
Deferred tax expenses/ (charge)	65,592,972	47,927,811
Under provision	-	(210,539)
As at 31 March 2025	**149,742,160**	84,149,188

Deferred income tax assets and deferred income tax charge in profit or loss are attributable to the following items.

Temporary difference on PPE	381,553	541,471	(159,918)
Exchange gain	41,055,426	36,753,373	4,302,053
Provisions	(645,987,878)	(399,721,804)	(246,266,074)
Exchange loss	(19,262,224)	(42,742,922)	23,480,698
Prior year interest, penalty & other adjustments	124,672,587	124,672,587	-
Total temporary differences	**(499,140,535)**	**(280,497,295)**	**(218,643,241)**
Deferred tax (asset)/liability 30%	**(149,742,160)**	**(84,149,188)**	**(65,592,972)**

10. EQUIPMENT

	EFD machine	Printer	Total
	TZS	**TZS**	**TZS**
Cost			
At 1 April 2024	585,000	650,000	1,235,000
AT 31 March 2025	**585,000**	**650,000**	**1,235,000**
Depreciation			
At 1 April 2024	(340,253)	(353,276)	(693,529)
Charge for the year	(73,563)	(86,355)	(159,918)
AT 31 March 2025	**(413,816)**	**(439,631)**	**(853,447)**
NET BOOK VALUES			
At 31 March 2025	**171,184**	**210,369**	**381,553**

	EFD machine	Printer	Total
	TZS	**TZS**	**TZS**
At 1 April 2023	585,000	650,000	1,235,000
At 31 March 2024	**585,000**	**650,000**	**1,235,000**
DEPRECIATIONS			
At 1 April 2023	231,878	235,473	467,351
Charge for the year	108,375	117,803	226,178
At 31 March 2024	**340,253**	**353,276**	**693,529**
NET BOOK VALUES			
At 31 March 2024	**244,747**	**296,724**	**541,471**

11. TRADE AND OTHER RECEIVABLES

	2025	2024
	TZS	TZS
Trade Receivable	**2,422,852,235**	2,853,237,405
Work in progress	**494,248,022**	494,248,022
Less: Provision for impairment losses	**(494,248,022)**	(326,203,695)
	2,422,852,235	3,021,281,732
Prepayments	**106,709,199**	176,575,085
Value added tax	**84,104,924**	84,104,924
Other receivables	**420,000**	420,000
	191,234,123	**261,100,009**
	2,614,086,358	**3,282,381,741**

12. CASH AND CASH EQUIVALENTS

	2025	2024
	TZS	TZS
Balance with banks	**372,090,974**	731,847,059
Petty cash	**665,848**	851,655
	372,756,822	732,698,714

13. SHARE CAPITAL

Authorized:		
6,325,000 (2023: 6,325,000) authorized ordinary shares of TZS 100 each	**632,500,000**	632,500,000
Issued and fully paid:		
6,000,003 (2023: 6,000,003) ordinary shares, issued and fully paid, of TZS 100 each	**600,000,300**	600,000,300

14. TRADE AND OTHER PAYABLES

	2025	2024
	TZS	TZS
Trade payables	**489,437,179**	517,912,704
Accrued expenses	**205,272,111**	153,538,733
Other payables	**179,876,869**	235,781,407
	874,586,159	907,232,844

15. RELATED PARTY TRANSACTION AND BALANCE

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions.

All transactions with related parties are made at an arm's length in the normal course of business and on normal commercial terms and conditions.

THERMAX INTERNATIONAL TANZANIA LIMITED

NOTES TO THE FINANCIAL STATEMENTS

Relationship between parties: -

Ultimate holding company	Thermax Limited
Holding company	Thermax International Limited (Mauritius)
Fellow subsidiaries	Thermax Babcock and Wilcox Energy Solutions Ltd.
	Thermax Instrumentation Limited

	2025	2024
	TZS	TZS
i) Payments made on behalf of the entity		
Thermax Limited	**-**	1,916,638
ii) Purchase of services		
Thermax Babcock and Wilcox Energy Solutions Ltd.	**16,432,048**	23,907,379
Thermax Limited	**80,665,740**	16,076,767
	97,097,788	39,984,146
iii) Amount due to related parties		
Thermax Instrumentation Limited	**391,465,535**	376,721,609
Thermax International Limited (Mauritius)		-
Thermax Babcock and Wilcox Energy Solutions Ltd	**36,474,118**	20,321,272
	427,939,653	397,042,881
iv) Dividend to paid to related Parties		
Thermax International Limited (Mauritius)	**2,541,311,145**	2,893,054,071
v) Dividend due to Directors		
Bhavesh Kumar Chheda	**816**	434
Kirtiraj Rajendra Jilkar	**2445**	1,302
	3261	1,736

vi) Compensation of key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing, and controlling the activities of the entity, directly or indirectly, including all Directors.

The Company does not have the following schemes for its key personnel management.

- Post-employment benefits -NA-
- Other long-term benefits -NA-
- Termination benefits -NA-
- Share-based payment benefits- Only Dividend to Directors.

No remuneration of Directors and other key members of management during the year.

16. COMMITMENT AND CONTIGENT LIABILITIES

There were no contingent liabilities that occurred during the year or subsequent to the year-end, which required disclosure or adjustment to the financial statements.

17. EVENTS AFTER THE REPORTING PERIOD

At the date of signing the financial statements, the directors are not aware of any other matter or circumstance arising since the date of the end of the reporting period, not otherwise dealt in these financial statements, which significantly affected the financial position of the Company and results of its operations.

Thermax Engineering Construction FZE

Board of Directors
Pravin Karve
Sandeep Mandke
Rajesh Bukinkere

Registered and Corporate Office
Dangote Industries Free Zone Development Company
Lagos Free Zone
Lekki Coastal Road, Ibeju-Lekki
Lagos

Independent auditor
BDO Professional Services
ADOL House, 15 CIPM Avenue
Central Business District
Alausa
Ikeja
Lagos

Company Secretary
Eko Nominees Limited
5B Water Corporation Road
Victoria Island
Lagos

Bankers
Citi Bank Nigeria Limited
27 Kofo Abayomi Street
Victoria Island
Lagos

REPORT OF THE DIRECTORS

The Directors of Thermax Engineering Construction FZE ("the Enterprise'') submit their report on the affairs of the Enterprise together with the audited financial statements which have been prepared in line with the International Financial Reporting Standards (IFRS) and the report of the auditors for the year ended 31 March 2025.

INCORPORATION AND ADDRESS

Thermax Engineering Construction FZE was incorporated in Nigeria Export Processing Zone Authority (NEPZA) as an Enterprise in Lekki FZE in 2018. The Enterprise is domiciled in Nigeria and its registered office is:

Dangote Industries Free Zone Development Company, Lekki Free Zone, Lekki Coastal Road, Ibeju-Lekki, Lagos.

PRINCIPAL ACTIVITIES

Thermax Engineering Construction FZE was incorporated on 31 August 2018 to carry on the business of equipments installation, erection and commissioning, providing all technical and supervision services, deputing sub contractors and any other work in relation to and incidental to perform these activities.

OPERATING RESULTS AND DIVIDENDS

The Enterprise's results for the year ended 31 March 2025 are set out on page 3. The total comprehensive income for the year has been transferred to retained earnings. The summarised results are presented below:

	31 March 2025	31 March 2024
	N'000	N'000
Revenue	1,884,472	1,956,076
Profit before tax	(491,976)	1,368,564
Income tax expense	-	-
Profit after tax	**(491,976)**	**1,368,564**

The directors do not propose dividend payment in respect of the year ended 31 March 2025 (2024:Nil)

DIRECTORS

The directors who held office during the year and to the date of this report are given below:

Pravin Karve

Sandeep Mandke

Rajesh Bukinkere

DIRECTORS' SHAREHOLDING

None of the directors have any interest in the shares of the Enterprise as at 31 March 2025 (2024:Nil). According to the register of members as at 31 March 2025, the following is the shareholding structure of Thermax Engineering Construction FZE.

	31 March 2025		31 March 2024	
	Shareholding	Percentage	Shareholding	Percentage
	(units)	%	(units)	%
Thermax Engineering Construction Ltd	30,565,000	100	30,565,000	100
	30,565,000	**100**	**30,565,000**	**100**

DIRECTORS' INTEREST IN CONTRACTS

None of the Directors has notified the Enterprise of any disclosable interest in contracts with which the Enterprise is involved as at 31 March 2025. This is in accordance with the Nigeria Export Processing Zones Authority (NEPZA) Investment Procedures, Regulations and Operational Guidelines.

EVENTS AFTER THE REPORTING DATE

As stated in note 22, there were no material events after the reporting date, which could have had material effects on the state of affairs of the Enterprise as at 31 March 2025 and on the profit for the year ended on that date that have not been taken into accounts in these financial statements.

EMPLOYEE HEALTH, SAFETY AND WELFARE

(a) Health, safety and Welfare at work

The Enterprise places high premium on the health, safety and welfare of its employees in their place of work. In order to protect other persons against risks to health and safety hazards arising out of or in connection with the activities of employees at work, the Enterprise has adopted comprehensive safety policies and procedures and reviews safety facilities on a regular basis.

(b) Employee consultation and training

The Enterprise places considerable value on the involvement of its employees in its affairs and has continued its practice of keeping them informed on matters affecting them as employees and on various factors affecting the performance of the Enterprise. It also ensures that employees receive on-the-job training complemented when and where necessary with additional facilities from educational institutions or other training institutions.

(c) Employment of physically challenged persons

Applications for employment by physically challenged persons are always fully considered, bearing in mind the respective aptitudes and abilities of the applicants concerned. It is the policy of the Company that the training, career development and promotion of physically challenged employees should, as far as possible, be identical with that of other employees. There are no physically challenged persons in its employment during the year (2024: Nil).

DONATIONS AND GIFTS

The Enterprise did not make any donations or gifts to any charitable organisations, political association or for any other purpose in the course of the year under review (2024:Nil).

AUDITORS

During the year, Messrs PricewaterhouseCoopers, independent auditors, resigned as auditors to the Enterprise. Accordingly, BDO Professional Services were appointed as auditors of Thermax Engineering Construction FZE and they have expressed their willingness to continue in office as auditors.

A resolution will be proposed to authorise the directors to fix their remuneration at the next Annual General Meeting.

Date: 30 April 2025

Thermax Engineering Construction FZE

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF THERMAX ENGINEERING CONSTRUCTION FZE

REPORT ON THE AUDIT OF THE FINANCIAL STATEMENTS

Our opinion

We have audited the financial statements of Thermax Engineering Construction FZE which comprise, the statement of financial position as at 31 March 2025, the statement of profit or loss and other comprehensive income, statement of changes in equity, and statement of cash flows for the year then ended; and notes to the financial statements, including a summary of significant accounting policies and other explanatory notes.

In our opinion the accompanying financial statements give a true and fair view of the financial position of the Enterprise as at 31 March 2025 and of its financial performance and cash flows for the year then ended in accordance with International Financial Reporting Standards, issued by International Accounting Standards Board, the provisions of Part 2 Section 10 of Nigeria Export Processing Zones Authpority (NEPZA) Investment Procedures, Regulations and Operational Guidelines for Free Trade Zones, issued in pursuant to section 10(4) of the Nigerian Export Processing Zones Act CAP N 107 LFN, 2004 and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements paragraph of our report. We are independent of the Enterprise in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements in Nigeria, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the International Ethics Standards Board Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other information

The directors are responsible for the other information. The other information comprises Corporate information, Statement of corporate responsibilities and Report of the directors 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 an audit opinion or any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material mistatement of this information, we are required to report this fact. We have nothing to report in this regard.

Responsibilities of the Directors for the Financial Statements

The Directors are responsible for the preparation and fair presentation of the financial statements in accordance with International Financial Reporting Standards issued by the International Accounting Standards Board, and in compliance with the relevant provisions of the Financial Reporting Council of Nigeria (Amendment) Act, 2023 and part 2 section 10 of Nigeria Export Processing Zones Authority (NEPZA) Investment Procedures, Regulations and Operational Guidelines for Free Trade Zones and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

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 a 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 International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing, 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 the effectiveness of the Enterprise's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of Directors' 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 Enterprise'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 Enterprise 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 the directors regarding, among other matters, the planned scope and timing of the audit, and significant audit findings and any significant deficiencies in internal control that we identify during our audit.

Report on other legal and regulatory requirements

The Investment Procedures, Regulations and Opertaional Guidelines for Free Zones in Nigeria issued pursuant to Section 10(4) of the Nigerian Export Processing Zones Act require that in carrying out our audit we consider and report to you on the following matters. We confirm that:

i) the accounts have been properly prepared in accordance with these Regulations;

ii) the accounts give a true and fair view, in the case of the statement of financial position of the Enterprise, of the state of affairs of the Enterprise at the end of its financial year;

iii) the accounts give a true and fair view, in the case of the statement of profit or loss and other comprehensive income of the Enterprise for the year end.

For: BDO Professional Services
Chartered Accountants
Henry B. Omodigbo
FRC/2013/ICAN/00000003977
Lagos, Nigeria

5 May 2025

STATEMENT OF CORPORATE RESPONSIBILITIES

Pursuant to the provisions of the Nigeria Export Processing Zones Authority (NEPZA) Investment Procedures, Regulations and Operational Guidelines, we confirm that we have reviewed the financial statements of the Enterprise for the year ended 31 March 2025.

We acknowledge our responsibility for establishing and maintaining internal controls within the Enterprise and have designed such internal controls to ensure that material information relating to the Enterprise is made known to us by other officers of the Enterprise, particularly during the period in which the financial statements were prepared.

We have evaluated the effectiveness of the Enterprise's internal controls within 90 days prior to the date of our financial statements, and certify that the Enterprise's internal controls are effective as of that date.

We also confirm that the Enterprise's Auditor have been informed about the following:

a) all significant deficiencies in the design or operation of internal controls which could adversely affect the Enterprise's ability to record, process, summarise and report financial data, and

b) whether or not, there is any fraud that involves management or other employees who have a significant role in the Enterprise's internal control;

During the year, there were no significant changes in internal controls or in other factors that could significantly affect internal controls subsequent to the date of our evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

We hereby certify that based on our knowledge, the financial statements do not contain any untrue statement of material fact or material omission that may make the financial statements misleading and the financial statements fairly presents in all material respects the financial condition and the result of operations of the Enterprise for the year ended 31 March 2025.

Rajesh Bukinkere
Director

Pravin Karve
Director

Thermax Engineering Construction FZE

Statement of Profit and Loss and Other Comprehensive Income

	NOTES	31 March 2025		31 March 2024	
		N'000	Rs Lacs	N'000	Rs Lacs
Revenue	7	1,884,472	1,049.65	1,956,076	1,242.46
Cost of sales	8	-	-	(116,113)	(73.75)
Other income	9	84,362	46.99	37,952	24.11
Operating expenses	10	(517,817)	(288.42)	(396,726)	(251.99)
Expected credit loss allowance	10a	(1,942,993)	(1,082.25)	(112,625)	(71.54)
Profit for the year		**(491,976)**	**(274.03)**	**1,368,564**	**869.28**
Other comprehensive Income					
Item that may be reclassified subsequently to profit & Loss:					
Foreign Currency translation reserve	17	466,400	259.78	1,396,273	886.88
Total comprehensive Income		**(25,576)**	**(14.25)**	**2,764,837**	**1,756.17**
Earnings per share (Naira/Rupees)		(256)	(0.14)	27,648	17.56

The notes on pages 7-19 and other national disclosures on pages 20 and 21 are an integral part of these financial statements.

Statement of Financial Position

	NOTES	31 March 2025		31 March 2024	
		N'000	Rs Lacs	N'000	Rs Lacs
ASSETS					
Current assets					
Trade and other receivables	12	3,580,884	1,994.55	3,215,807	2,042.62
Cash and cash equivalents	13	52,821	29.42	274,016	174.05
Total assets		**3,633,704**	**2,023.97**	**3,489,823**	**2,216.67**
LIABILITIES					
Current liabilities					
Trade and other payables	14	545,056	303.60	375,598	238.57
Total current liabilities		**545,056**	**303.60**	**375,598**	**238.57**
EQUITY					
Share capital	15	30,565	17.02	30,565	19.41
Retained earnings	16	1,060,840	590.89	1,552,816	986.32
Foreign currency translation reserves	17	1,997,244	1,112.46	1,530,844	972.36
Total equity		**3,088,649**	**1,720.38**	**3,114,225**	**1,978.09**
Total equity and liabilities		**3,633,705**	**2,023.97**	**3,489,823**	**2,216.67**

The financial statements and other national disclosures on pages 7-21 were approved and authorised for issue by the Board of Directors on 30 April 2025 and were signed on its behalf by:

Rajesh Bukinkere
Director

Pravin Karve
Director

The notes on pages 7-19 and other national disclosures on pages 20 and 21 are an integral part of these financial statements.

Financial Statements for the year ended 31 March 2025

Statement of Changes in Equity

	Attributable to equity holders of the Company							
	Share Capital		Retained earnings		Foreign currency translation reserve		Total Equity	
	N'000	Rs Lacs	N'000	Rs Lacs	N'000	Rs Lacs	N'000	Rs Lacs
Balance at 1 April 2023	30,565	17.02	184,252	102.63	134,571	74.96	349,388	194.61
Profit for the period	-	-	1,368,564	762.29	-	-	1,368,564	762.29
Other comprehensive income	-	-	-	-	1,396,273	777.72	1,396,273	777.72
Balance at 31 March 2024	**30,565**	**17.02**	**1,552,816**	**864.92**	**1,530,844**	**852.68**	**3,114,225**	**1,734.62**
Balance at 1 April 2024	30,565	17.02	1,552,816	864.92	1,530,844	852.68	3,114,225	1,734.62
Profit for the period	-	-	(491,976)	(274.03)	-	-	(491,976)	(274.03)
Other comprehensive income	-	-	-	-	466,400	259.78	466,400	259.78
Balance at 31 March 2025	**30,565**	**17.02**	**1,060,840**	**590.89**	**1,997,244**	**1,112.46**	**3,088,649**	**1,720.38**

The notes on pages 7-19 and other national disclosures on pages 20 and 21 are an integral part of these financial statements.

STATEMENT OF CASH FLOW

	Notes	31 March 2025		31 March 2024	
		N'000	Rs Lacs	N'000	Rs Lacs
Cash flows from operating activities					
(Loss)/profit before taxation		(491,976)	(274.03)	1,368,564	869.28
Adjustment for:					
Foreign currency translation reserves	17	466,400	259.78	1,396,273	886.88
		(25,576)	**(14.25)**	2,764,837	1,756.17
Changes in working capital:					
Increase in trade and other receivables	12	(365,077)	(203.35)	(2,829,178)	(1,797.04)
Increase in trade payables	14	169,458	94.39	180,947	114.93
Net cash outflow used in operating activities		**(221,195)**	**(123.21)**	116,606	74.07
Net increase in cash and cash equivalents		(221,195)	(123.21)	116,606	74.07
Cash and cash equivalents at the beginning of the year		274,016	152.63	157,410	99.98
Cash and cash equivalents at the end of the year	13	**52,821**	**29.42**	274,016	174.05

The notes on pages 7-19 and other national disclosures on pages 20 and 21 are an integral part of these financial statements.

Thermax Engineering Construction FZE

1 General information

Thermax Engineering Construction FZE was incorporated in Nigeria Export Processing Zones Authority (NEPZA) as an Enterprise in Lekki FZE in 2018. The Enterprise is domiciled in Nigeria and its registered address is:

Dangote Industries Free Zone Development Company, Lekki Free Zone, Lekki Coastal Road, Ibeju-Lekki, Lagos.

1.1 Principal Activities

Thermax Engineering Construction FZE was incorporated on 31 August 2018 to carry on the business of equipment installation, erection and commissioning, providing all technical and supervision services, deputing sub contractors and any other work in relation to and incidental to perform these activities.

2 Basis of preparation

(a) Statement of compliance with International Financial Reporting Standards

The financial statements of Thermax Engineering Construction FZE have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IRFS IC) applicable to companies reporting under IFRS. The financial statements comply with IFRS as issued by the International Accounting Standards Board (IASB), the Nigeria Export Processing Zones Authority (NEPZA) Investment Procedures, Regulations and Operational Guidelines for Free Trade Zones and the requirements of the Financial Reporting Council of Nigeria (Amendment) Act, 2023.

These financial statements were authorised for issue by the Board of Directors on 30 April 2025.

(b) Basis of measurement

The financial statements comprise the statement of profit or loss and other comprehensive income, the statement of financial position, the statement of changes in equity, the statement of cash flows and notes to the financial statements.

The financial statements have been prepared in accordance with the going concern principle under the historical cost except for financial assets which are measured at fair value.

(c) Functional and presentation currency

The Enterprise's functional currency is the US Dollar while its presentation currency is the Nigerian naira. The financial statements are presented in Nigerian Naira and have been rounded up to the nearest thousand except where otherwise stated.

(d) Use of estimates and judgement

The preparation of the financial statements in conformity with IFRS requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Enterprise's accounting policies. Changes in assumptions may have a significant impact on the financial statements in the period the assupmtions changed. Management believes that the underlying assumptions are appropriate and that the Enterprise's financial statements therefore present the financial position and results fairly. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in note 4.

3 New standards, interpretations and amendments

(a) New standards, interpretations and amendments adopted from 1 January 2024

The following amendments are effective for the period beginning 1 January 2024:

- Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7);
- Lease Liability in a Sale and Leaseback (Amendments to IFRS 16);
- Classification of Liabilites as Current or Non-Current (Amendments to IAS 1); and
- Non-current Liabilities with Covenants (Amendments to IAS 1).

These amendments to various IFRS Accounting Standards are mandatorily effective for reporting periods beginning on or after 1 January 2024.

Supplier Finance Arrangements (Amendments to IAS 7 & IFRS 7)

On 25 May 2023, the IASB issued Supplier Finance Arrangements, which amended IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments:Disclosures.

The amendments require entities to provide certain specific disclosures (qualitative and quantitative) related to supplier finance arrangements. The amendments also provide guidance on characteristics of supplier finance arrangements.

These amendments have no effect on the measurement of any items in the financial statements of the Company.

Lease Liability in a Sale and leaseback (Amendments to IFRS 16);

On 22 September 2022, the IASB issued amendments to IFRS 16 — Lease Liability in a Sale and Leaseback (the Amendments).

Prior to the Amendments, IFRS 16 did not contain specific measurement requirements for lease liabilities that may contain variable lease payments arising in a sale and leaseback transaction. In applying the subsequent measurement requirements of lease liabilities to a sale and leaseback transaction, the Amendments require a seller-lessee to determine 'lease payments' or 'revised lease payments' in a way that the seller-lessee would not recognise any amount of the gain or loss that relates to the right of use retained by the seller-lessee.

These amendments had no effect on the financial statements of the Company

Classification of Liabilities as Current or Non-Current and Non-current Liabilities with Covenants (Amendments to IAS 1)

The IASB issued amendments to IAS 1 in January 2020 Classification of Liabilities as Current or Non-current and subsequently, in October 2022 Non-current Liabilities with Covenants.The amendments clarify the following:

- An entity's right to defer settlement of a liability for at least twelve months after the reporting period must have substance and must exist at the end of the reporting period.
- If an entity's right to defer settlement of a liability is subject to covenants, such covenants affect whether that right exists at the end of the reporting period only if the entity is required to comply with the covenant on or before the end of the reporting period.
- The classification of a liability as current or non-current is unaffected by the likelihood that the entity will exercise its right to defer settlement.
- In case of a liability that can be settled, at the option of the counterparty, by the transfer of the entity's own equity instruments, such settlement terms do not affect the classification of the liability as current or non-current only if the option is classified as an equity instrument.

These amendments have no effect on the measurement of any items in the financial statements of the Company.

(b) New standards, interpretations and amendments not yet effective

There are a number of standards, amendments to standards, and interpretations which have been issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt early.

The following amendments are effective for the annual reporting period beginning 1 January 2025:

- Lack of Exchangeability (Amendment to IAS 21 the Cfects of Changes in Foreign Exchange Rates);

The following amendments are effective for the annual reporting period beginning 1 January 2026:

- Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 Financial instruments and IFRS 7)
- Contracts Referencing Nature-dependent Electricity (Amendments to IFRS 9 and IFRS 7)

The following standards and amendments are effective for the annual reporting period beginning 1 January 2027:

- IFRS 18 Presentation and Disclosure in Financial Statements
- IFRS 19 Subsidiaries without Public Accountability:Disclosures.

The Company is currently assessing the effect of these new accounting standards and amendments.

IFRS 18 Presentation and Disclosure in Financial Statements, which was issued by the IASB in April 2024 supersedes IAS 1 and will result in major consequential amendments to IFRS Accounting Standards including IAS 8 Basis of Preparation of Financial Statements (renamed from Accounting Policies, Changes in Accounting Estimates and Errors). Even though IFRS 18 will not have any effect on the recognition and measurement of items in the financial statements, it is expected to have a significant effect on the presentation and disclosure of certain items.

These changes include categorisation and sub-totals in the statement of profit or loss, aggregation/disaggregation and labelling of information, and disclosure of management-defined performance measures.

The Company does not expect to be eligible to apply IFRS 19.

4 Critical accounting estimates and judgements

The Enterprise makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

i) Accounts receivable

The Enterprise regularly evaluates trade receivables to determine their fair value. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. The normal credit term is 70-90days upon delivery. The carrying amount is reduced by the amount of provision, which is recognised as part of operating expenses.

ii) Legal proceedings

The Enterprise reviews outstanding legal cases following developments in the legal proceedings at each reporting date, in order to assess the need for provisions and disclosures in its financial statements. Among the factors considered in making decisions on provisions are the nature of litigation, claim or assessment, the legal process and potential level of damages in the jurisdiction in which the litigation, claim or assessment has been brought, the progress of the case (including the progress after the date of the financial statements but before those financial statements are issued), the opinions or views of legal advisers, experience on similar cases and any decision of the Enterprise's management as to how it will respond to the litigation, claims or assessment.

5 Summary of significant accounting policies

The accounting policies set out below have been applied consistently to all years presented in these financial statements

a) Revenue recognition

Revenue is measured at the fair value of the consideration received or receivable for goods or services stated net of value added taxes (VAT). Sale of services are recognised in the period in which the costs incurred in providing the services are recognised.

A valid contract is recognised after:

- The contract is approved by the parties.
- Rights and obligations are recognised.
- Collectability is probable.
- The contract has commercial substance.
- The payment terms and consideration are identifiable.

The probability that a customer would make payment is acsertained based on the evaluation done on the customer as stated in the credit management policy at the inception of the contract. The Enterprise is the principal in all its revenue arrangement since it is the primary obligor in most of the revenue arrangements, and determines the pricing for the goods and services.

b) Other income

These comprise exchange gain on conversion of foreign currencies, profit on disposal of property, plant and equipment and any other income arising outside the Company's principal activities.

c) Operating expenses

Operating expenses are recognised as they accrue during the course of the year. Analysis of expenses recognised in the statement of comprehensive income is presented in classification based on the function of the expenses as this provides information that is reliable and more relevant than their nature.

d) Employee benefits

Liabilities for wages and salaries, including non-monetary benefits, annual leave and accumulating sick leave that are expected to be sttled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

e) Financial instruments

Financial instruments which are financial assets and liabilities are recognised when the Enterprise becomes a party to the contractual provisions of the instrument. Financial assets are derecognized when the rights to receive cash flows from the assets have expired or have been transferred and Thermax Engineering Construction FZE has transferred substantially all risks and rewards of ownership. Financial liabilities are derecognized when the obligation specified in the contract is discharged, cancelled or expires.

Management determines the classification of its financial instruments at initial recognition.

i) Financial assets

The Company does not have any financial assets accounted for on the basis of fair value through profit or loss or through other comprehensive income.

Amortised cost

The Company's financial assets measured at amortised cost comprise trade and other receivables and cash and cash equivalents in the statement of financial position.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. They are initially recognised at fair value and subsequently measured at amortised cost using the effective interest rate method. The normal credit term is 7-90 days upon delivery. The Enterprise has applied the simplified approach for trade and other receivables upon the adoption of IFRS 9 and follows an Expected Credit Losses ('ECLs') approach for measuring the allowance of its trade receivables. The expected loss rate is assessed on the basis of historical credit losses of 36 months before 31 March 2025 and adjusted to reflect current and forward-looking information. ECLs are based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Enterprise expects to receive. The carrying amount of the receivable is reduced by the amount of the provision, which is recognised as part of operating expenses.

If a trade receivable ultimately becomes uncollectible, it is written off initially against any provision made in respect of that receivable with any excess recognised as part of operating expenses. Subsequent recoveries of amounts previously written off or provisions no longer required are credited against operating expenses. Loans are initially recognised at the fair value net of transaction costs incurred. After initial recognition, all interest-bearing loans are subsequently measured at amortised cost. Amortised cost is calculated using the effective interest rate method whereby any discount, premium or transaction costs associated with a loan are amortised to the income statement over the borrowing period.

Other recivables

These amounts generally arise from transactions outside the usual operating activities of the Company. They are usually recognised at amortised cost.

Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include deposits with financial institutions, other short term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

ii) Financial liabilities

The Company classifies its financial liabilities as financial liabilities measured at amortised cost. The classification depends on the purpose for which the liabilities were incurred.

Financial liabilities are subsequently stated at amortised cost and any difference between net proceeds and the redemption value is recognised in the income statement using the effective interest method.

Trade payables

These amounts represent liabilities for goods and services provided to the group prior to the end of the financial year which are unpaid. The amounts are unsecured and are usually paid within 30 days of recognition. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognized initially at their fair value and subsequently measured at amortized cost using the effective interest method.

Other financial liabilities

Other financial liabilities include due to related parties, trade payables and other short-term monetary liabilities, which are initially recognised at fair value and subsequently carried at amortised cost using the effective interest method. For the purposes of each financial liability, interest expense includes initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable while the liability is outstanding.

Offsetting financial assets and financial liabilities

TEnterprise offsets financial assets and financial liabilities to the net amount reported in the balance sheet when it currently has a legally enforceable right to offset the recognised amounts and it intends to settle on a net basis or to realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Enterprise or the counterparty.

Impairment of financial assets

The Enterprise assesses at the end of each reporting period whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred only if there is objective evidence of impairment as a result of one or more events that occurred after the initial recognition of the asset (a 'loss event') and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

f) Provisions

Provisions are recognised when the Enterprise has a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation; and a reliable estimate can be made of the amount of the obligation.

Where the Enterprise expects a provision to be reimbursed, for example under an insurance contract, the reimbursement is recognised as a separate asset only when such reimbursement is virtually certain. If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

g) Share capital

Financial instruments issued by the Company are classified as equity only to the extent that they do not meet the definition of a financial liability or financial asset. The Company's ordinary shares are classified as equity instruments. Incremental costs directly attributable to the issuance of new ordinary shares are deducted against the share capital accounts.

h) Related party transactions

Related parties include the related companies, the directors and any employee who is able to exert significant influence on the operating policies of the company. Key management personnel are also considered related parties. Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of that entity.

The Enterprise considers two parties to be related if, directly or indirectly one party has the ability to control the other party or exercise significant influence over the other party in making financial or operating decisions. Where there are related party transactions with the Enterprise, the transactions are disclosed as to the type of relationship that exists with the company and the outstanding balances necessary to understand their effects on the financial position and the mode of settlement.

i) Retained earnings

This represents amount set aside out of profits of the Enterprise which shall at the discretion of the directors be applied to meeting contingencies, repairs or maintenance of any works connected with the

business of the Enterprise, for equalising dividends, for special dividend or bonus, or such other purposes for which the profits of the Company may lawfully be applied.

j) Dividends

Dividends on ordinary shares are recognised as a liability and deducted from equity when they are approved by the Enterprise's shareholders. Interim dividends are deducted from equity when they are declared and no longer at the discretion of the Enterprise. Dividends for the year that are approved after the statement of financial position date are disclosed as an event after the statement of financial position date.

k) Foreign currency translation

i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Enterprise's functional currency is the US Dollar while its presentation currency is the Nigerian naira. The financial statements are presented in Nigerian Naira and have been rounded up to the nearest thousand except where otherwise stated.

ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuations where items are re-measured. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions, and from translation of monetary assets and liabilities denominated in currencies other than the entity's functional currency at year end exchange rates, are recognized in the income statement.

The Company presents its financial statements in the Nigerian Naira ("N") in compliance with the legal requirement for Nigerian companies to present their accounts in Nigerian Naira. The financial statements are translated to the presentation curency using the closing rate. Exchange differences arising out of this translation from the functional currency to presentation currency are classified as a cumulative translation adjustment and recorded against equity in the Company's statement of finacial position through statement of other comprehensive income.

In translating US Dollar balances to Naira, the following exchange rates were used :

2025 Year-end N1,536.32/US$1 ; average for the year N1,487.93/US$1

2024 Year-end N1,330.26/US$1 ; average for the year N856.03/US$1

iii) Comparatives

Except when a standard or an interpretation permits or requires otherwise, all amounts are reported or disclosed with comparative information.

6 Financial risk management

The Enterprise's activities expose it to financial risk- credit risk, liquidity risk and market risk. Risk management is carried out by management, management identifies and evaluates the financial risks in co-operation with the Enterprise's operating units and; provides written principles for overall risk management, as well as written policies covering specific areas. The Enterprise's overall risk management program seeks to minimize potential adverse effects on the Enterprise's financial performance.

6.1 Credit risk management

Credit risk is the risk that financial loss arises from the failure of a counterparty to meet its obligations under a contract. Credit risk arises from cash and cash equivalents, deposits with banks and financial institutions, as well as credit exposures to customers, including outstanding receivables and committed transactions.

The balances exposed to credit risk are disclosed below

	31 March 2025	31 March 2024
	N'000	N'000
Trade and other receivables (note 12)	3,486,104	3,147,898
Cash and cash equivalents (note 13)	52,821	274,016
Financial assets bearing credit risk	**3,538,925**	**3,421,914**

Below is the breakdown of trade and other receivables that are neither past due nor impaired and past due but not impaired

	March 31, 2025	March 31, 2024
	N'000	N'000
Neither past due nor impaired:		
Trade receivables	3,334,008	3,016,202
Due from related parties (note 20(a))	152,096	131,696
	3,486,104	**3,147,898**

Impairment of financial assets

The Enterprise's financial assets that are subject to IFRS 9's new expected credit loss model are as follows:

- Trade receivables
- Amount due from related parties and;
- Cash and cash equivalents

While cash and cash equivalents are also subject to the impairment requirements of IFRS 9, there is no identified impairment loss.

Trade receivables

The Enterprise applies the simplified approach in measuring the expected crdeit loss (ECL) which calculates a lifetime expected loss allowance (ECL) for all trade receivables. Trade receivables represent the amount receivable from customers for the sale of goods in the ordinary course of business. The expected credit loss for trade receivables is determined using a provision matrix approach.

The expected loss rates are as follows:

	Current (not past due)	Less than 12 months past due	More than 12 months past due	Total
	N'000	N'000	N'000	N'000
31 March 2025				
Gross carrying amount	338,270	1,730,778	3,812,386	5,881,434
Default rate	0%	0%	62.83%	
Lifetime ECL	-	-	(2,395,330)	(2,395,330)
Net receivables	**338,270**	**1,730,778**	**1,417,056**	**3,486,104**

	Current (not past due)	Less than 12 months past due	More than 12 months past due	Total
	N'000	N'000	N'000	N'000
31 March 2024				
Gross carrying amount*	501,885	2,458,051	524,915	3,484,851
Default rate	0%	0%	64.19%	
Lifetime ECL	-	-	(336,953)	(336,953)
Net trade receivables	**501,885**	**2,458,051**	**187,962**	**3,147,898**

Trade receivables

	March 31, 2025	March 31, 2024
	N'000	N'000
Gross carrying amount as at 1 April	3,484,851	423,923
Opening balance exchange difference	539,811	669,379
Additions during the year	1,916,952	3,122,512
Receipts for the year	(60,180)	(730,963)
Gross carrying amount as at 31 March	**5,881,434**	**3,484,851**

Amounts due from related parties

Trade receivables represent fee income due from related parties for the provision of services in the ordinary course of business. Credit terms for related entities are determined on individual basis and the Enterprise does not require collateral in respect of intercompany receivables.

The Enterprise has applied a general approach in computing the Expected Credit Loss (ECL) for intercompany receivables. The Enterprise allocates each exposure to a credit risk grade based on data that is determined to be predictive of the risk of loss (including audited financial statements, cashtlow projections), applying experienced judgement and historical default rates. Lifetime probabilities of default are determined based on available data which reflects the loss rate of the related party.

	March 31, 2025	March 31, 2024
	N'000	N'000
Gross carrying amount as at 1 April	131,696	45,575
Opening balance exchange difference	20,400	86,121
Gross carrying amount as at 31 March	**152,096**	**131,696**

The credit quality of financial assets that are neither past due nor impaired can be assessed by reference to historical information about counterparty default rates and the credit policy of the Enterprise.

Cash and bank balance fall under neither past due nor impaired.

Fitch ratings of cash and bank balances are:

	March 31, 2025	March 31, 2024
	N'000	N'000
B+	**52,821**	**274,016**

'B' ratings indicate that material default risk is present, but a limited margin of safety remains. Financial commitments are currently being met; however, capacity for continued payment is vulnerable to deterioration in the business and economic environment.

The modifiers "+" or ''-'' may be appended to a rating to denote relative status within major rating categories. This is based on Fitch national long term rating.

6.2 Liquidity risk

6.2.1 Management of liquidity risk

Cash flow forecasting is performed by the finance department. The finance department monitors rolling forecasts ofliquidity requirements to ensure it has sufficient cash to meet operational needs while maintaining sufficient headroom on its borrowing facilities.

The Enterprise evaluates its ability to meet its obligations on an ongoing basis. Based on these evaluations, the Enterprise devises strategies to manage its liquidity risk.

Prudent liquidity risk management implies that sufficient cash is maintained and that sufficient funding is available through an adequate amount of committed credit facilities. The Enterprise has no limitation placed on its borrowing capability.

The table below analyses the Enterprise's financial liabilities into relevant maturity based on the remaining period at the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

At 31 March 2025

	Less than 3 months	Between 3 months and 1 year	Over 1 year	Total
	N'000	N'000	N'000	N'000
Trade payables	-	521,667	-	**521,667**
Accruals, provisions and other liabilities	-	23,389	-	**23,389**
	-	**545,056**	**-**	**545,056**

At 31 March 2024

	Less than 3 months	Between 3 months and 1 year	Over 1 year	Total
	N'000	N'000	N'000	N'000
Trade payables	-	2,52,396	-	**2,52,396**
Accruals, provisions and other liabilities	-	1,23,202	-	**1,23,202**
	-	**3,75,598**	**-**	**3,75,598**

6.3 Market risk

Market risk is the risk of change in the fair value of financial instruments due to changes in interest rates and foreign exchange rates.

6.3.1 Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will be affected by changes in market interest rates. The Enterprise's exposure to interest rate risk relates primarily to a long term borrowing from banks. There are no borrowings as the end of the year (2024: Nil).

6.3.2 Foreign exchange risk

The Enterprise is exposed to foreign exchange risk arising from commercial transactions. There are no balances exposed to exchange risk at the end of the year (2024: Nil).

Sensitivity

The sensitivity analysis for currency rate risk shows how changes in the fair value or future cash flows of a financial instrument will fluctuate because of changes in market rates at the reporting date. There are foreign denominated balances that are exposed to fluctuations in foreign exchangev rates.

The sensitivity of the Emterprise's earnings to fluctuations in exchange rate is reflected by varying the exchange rate as shown below:

	March 31, 2025	March 31, 2024
	N'000	N'000
Impact on account receivable balance		
Increase in US Dollars exchange rate against NGN +20%	1,176,287	696,970
Decrease in US Dollars exchange rate against NGN -20%	(1,176,287)	(696,970)

6.3.3 Price risk

Price risk is the risk that prices of internationalyy traded commodities or equity prices will change. The Enterprise does not trade in quoted securities and commodities.

6.4 Capital risk management

The Enterprise's objectives when managing capital are to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Enterprise may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

Consistent with others in the industry, the Enterprise monitors capital on the basis of the gearing ratio. This ratio is calculated as net debt divided

by total capital. Net debt is calculated as total borrowings (including 'current and non-current borrowings' as shown in the balance sheet) less cash and cash equivalents. Total capital is calculated as 'equity' as shown in the statement of financial position plus net debt. However, the Enterprise does not currently have any borrowings.

Fair value hierarchy

IFRS 13 requires the Enterprise to classify the fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. A description of the fair value hierarchy is detailed below:

Level 1 Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

All the Enterprise's financial assets and liabilities are measured at the amortised cost. The fair value are within level 2 of the fair value hierarchy.

Financial instruments by category

Financial assets and liabilities have been classified into categories that determine their basis of measurement and for items measured at fair value.

(i) Financial assets classified as loans and receivables

The carrying value of the Enterprise's financial assets as at 31 March 2025 is the same as its fair value.

(ii) Financial liabilities carried at amortised cost

The carrying value of the Enterprise's financial liabilities as at 31 March 2025 is the same as its fair value.

7 Revenue

Thermax Engineering Construction FZE revenue comprise management, supervision and commissioning fee, etc earned from contract services provided by the Enterprise to its customer.

	March 31, 2025	March 31, 2024
	N'000	N'000
Sale of Service	18,84,472	19,56,076
	18,84,472	**19,56,076**

8 Cost of sales

Thermax Engineering Construction FZE's cost of sales comprises erection expenses, material expenses, and other related costs that are directly incurred on sales and provision of services

	March 31, 2025	March 31, 2024
	N'000	N'000
Erection expenses	-	116,113
	-	**116,113**

9 Other income

	March 31, 2025	March 31, 2024
	N'000	N'000
Interest income	45	173
Provision no longer required	83,623	-
Exchange gain	694	30,093
Penalty charge - CBCR late filing	-	7,686
	84,362	**37,952**

10 Operating expenses

	March 31, 2025	March 31, 2024
	N'000	N'000
**Audit fee	3,763	12,828
Contracted employee cost	142,354	91,465
Dearness allowance	126,295	106,226
Site expenses	69,970	32,285
Visa expenses	36,114	24,744
Vehicle repair and maintenance	28,399	16,733
Rent	21,488	15,792
Travel expenses	7,216	4,599
Professional fee	35,972	11,806
Tax fee	5,856	2,848
Operating licence fee	8,439	567
Bank charges	8,965	6,307
Other expenses	-	4
Safety	4,869	4,019
Communication expenses	7,519	7,406
Rates and taxes	4,049	55,297
Printing and stationeries	6,549	3,800
	517,817	**396,726**

**During the year 2025, the audit firm did not provide any services other than the audit of the financial statements.

10a Expected credit loss allowance

	March 31, 2025	March 31, 2024
	N'000	N'000
Trade receivables (Note 12a)	1,942,993	112,625
	1,942,993	**112,625**

11 Income tax

In accordance with the provisions of Section 8 of Nigerian Exporting Processing Zones (NEPZ) Act, CAP 107, Laws of the Federation of Nigeria LFN 2004, the Enterprise is exempt from all forms of taxes, since it carries out its operations in the Free Trade Zone.

12 Trade and other receivables

	March 31, 2025	March 31, 2024
	N'000	N'000
Trade receivables	5,729,338	3,353,155
Balance due from related parties (note 20(ii))	152,096	131,696
Total trade receivables	5,881,434	3,484,851
Expected credit loss (note 12a)	(2,395,330)	(336,953)
Net trade receivables	**3,486,104**	**3,147,898**
Other receivables (note 12b)	94,780	67,909
	3,580,884	**3,215,807**

12a Allowance for impairment of trade receivables

	March 31, 2025	March 31, 2024
	N'000	N'000
Balance at the beginning of the year	336,953	56,670
Provision for the year (Note 10(a))	1,967,188	112,625
Exchange difference	91,189	167,658
Balance at the end of the year	**2,395,330**	**336,953**

Thermax Engineering Construction FZE

12b Other receivables

	March 31, 2025	March 31, 2024
	N'000	N'000
Contract in progress - domestic	75,969	40,838
Prepayments (note 12c)	18,811	27,071
	94,780	**67,909**

12c Prepayments

	March 31, 2025	March 31, 2024
	N'000	N'000
Prepaid rent	10,489	19,866
Prepaid operating licence fee	7,682	6,651
Prepaid expenses	640	554
	18,811	**27,071**

13 Cash and cash equivalents

	March 31, 2025	March 31, 2024
	N'000	N'000
Cash at bank	52,821	274,016
	52,821	**274,016**

14 Trade and other payables

	March 31, 2025	March 31, 2024
	N'000	N'000
Trade payables	160,300	141,263
Payable to related companies (note 20(ii))	361,367	111,133
	521,667	252,396
Accruals, provisions and other liabilities (note 14a)	23,389	123,202
	545,056	**375,598**

14a Accruals, provisions and other liabilities

	March 31, 2025	March 31, 2024
	N'000	N'000
Audit fee payable	2,778	6,578
WHT liablities	173	69,333
Accounting service fee payable	20,438	47,291
	23,389	**123,202**

15 Share capital

	March 31, 2025	March 31, 2024
	N'000	N'000
Authorised and Issued share capital		
100,000 ordinary shares of $1.00 each using N305.65 exchange rate	30,565	30,565

Details of the Enterprise's shares are as follows:

The Enterprise has only one class of ordinary shares classified as equity. Incremental costs directly attributable to the issue of new ordinary shares or options are shown in equity as a deduction, net of tax, from the proceeds.

The Enterprise has 100,000 shares at $1 each which is N30,565,000 currently alloted to Thermax Engineering Construction Co. Ltd using historical rate as at the transaction date. The shareholder has paid USD 1,000 with the unpaid balance of USD 99,000 translated at the closing rates and included in the amount receivable from related party. (See Note 20 (ii)(a))

16 Retained earnings

	March 31, 2025	March 31, 2024
Balance at the beginning of the year	1,552,816	184,252
(Loss)/profit for the year	(491,976)	1,368,564
Balance at the end of the year	**1,060,840**	**1,552,816**

17 Foreign currency translation reserves

This represents the exchange differences arising as a result of translation from functional currency which is US Dollar to presentation currency which is Nigerian Naira. Hence, the swing from March 2024 compared with the current year is attributed to exchange rate differences.

	March 31, 2025	March 31, 2024
	N'000	N'000
Balance at the beginning of the year	1,530,844	134,571
Arising during the year	466,400	1,396,273
Balance at the end of the year	**1,997,244**	**1,530,844**

	March 31, 2025	March 31, 2024
Translation rate		
Historical rate	305.65	305.65
Average rate	1,487.93	856.03
Closing rate	1,536.32	1,330.26

18 Capital commitments

There were no commitments to capital expenditure at the statement of financial position date (2024: Nil).

19 Contingent liabilities

There were no contingent liabilities at the statement of financial position date (2024: Nil).

20 Related party transactions

The Enterprise enters into transactions with companies and entities that fall within the definition of a related party as contained in the International Accounting Standards (IAS 24), Related Party Disclosures. Related parties comprise companies under common ownership and/or common management and control and key management personnel.

The Enterprise is a wholly owned subsidiary of Thermax Engineering Construction Limited, India. There are other companies that are related to the Enterprise through common shareholdings or common directorships.

Thermax Limited is the Ultimate Holding company of the Enterprise

i) Related party relationships

Related party	Relationship	Details of transactions
Thermax Engineering Construction Ltd	Related party	Contracted manpower cost and contracted employee cost
Thermax Limited	Related party	Back charges of audit fees.

ii) The following balances resulted from transactions carried out with related parties during the year.

	March 31, 2025	March 31, 2024
	N'000	N'000
Due from related parties (See note 20a)	152,096	131,696
Due to related parties (See note 20b)	361,367	111,133

a) Due from related parties

	March 31, 2025	March 31, 2024
	N'000	N'000
Thermax Engineering Construction Ltd, India	152,096	131,696

Amounts due from Thermax Engineering Construction Ltd, India include unpaid alloted share capital at the year end closing rates.

b) Due to related parties

	March 31, 2025	March 31, 2024
	N'000	N'000
Thermax Engineering Construction Ltd	361,367	111,133

iii) Key management compensation

Key management of the Enterprise includes the directors. The directors waived their right to receive compensation from the Enterprise during the year (2024: Nil).

21 Employee information

The Enterprise did not have any employees during the year (2024: Nil)

22 Events after the reporting date

There were no material events after the reporting date, which could have had material effects on the state of affairs of the Enterprise as at 31 March 2025 and on the profit for the year ended on that date that have not been taken into accounts in these financial statements.

Statement of value added

Particulars	**31 March 2025**		31 March 2024	
	N'000	**%**	N'000	%
Revenue	1,884,472		1,956,076	
Other operating income	84,362		37,952	
	1,968,834		1,994,028	
Bought in material and services				
Imported	(917,429)		354,572	
Local	(1,076,982)		416,236	
Value added	**(25,577)**	**100**	**2,764,836**	**100**
% of value added	(1%)		139%	
Applied as follows:				
Retained in the business				
Profit for the year	(25,577)	100	2,764,837	100
Value added	(25,577)	100	2,764,836	100

OTHER NATIONAL DISCLOSURE
FIVE YEAR FINANCIAL SUMMARY

	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021
	N'000	N'000	N'000	N'000	N'000
Statement of financial position					
Current assets	3,633,705	3,489,824	544,040	860,959	967,770
Current liabilities	(545,056)	(375,599)	(194,652)	(167,626)	(187,184)
Net assets	**3,088,649**	**3,114,225**	**349,388**	**693,333**	**780,586**
Capital employed					
Share capital	30,565	30,565	30,565	30,565	30,565
Retained earnings	1,060,840	1,552,816	318,823	662,768	750,021
Foreign currency translation reserves	1,997,244	1,530,844	-	-	-
Total equity	**3,088,649**	**3,114,225**	**349,388**	**693,333**	**780,586**

Statement of comprehensive income

	31 March 2025	31 March 2024	31 March 2023	31 March 2022	31 March 2021
	N'000	N'000	N'000	N'000	N'000
Revenue	18,84,472	19,56,076	4,43,289	6,28,503	1,12,437
(Loss)/profit for the year	(4,91,976)	13,68,564	25,795	2,08,664	4,91,295
Total comprehensive (loss)/income	**(25,576)**	**27,64,837**	**25,278**	**2,80,405**	**5,18,791**

THERMAX (THAILAND) LIMITED

Board of Directors
Sandeep Deshpande
Rabindranath Pillai
Dinesh Badgandi

Registered Office
43 Thai CC Tower, 24th Floor,
Room No.245, South Sathorn, Yannawa,
Sub-District,
Sathorn District, Bangkok.

Bankers
Citibank Thailand

Auditors
Morison CKS Company Limited (Head Office)
128/123 Phayathai Plaza Bldg, 11th floor, Unit 11
J, Phayathai Rd., Thangphayathai Ratchathewi,
Bangkok, 10400, Thailand.

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Thermax (Thailand) Limited

Opinion

I have audited the financial statements of Thermax (Thailand) Limited (the Company), which comprise the statement of financial position as at March 31, 2025, the statements of income and changes in shareholders' equity for the year then ended and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Company as at March 31, 2025, and its financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics for Professional Accountants including Independence Standards issued by the Federation of Accounting Professions (Code of Ethics for Professional Accountants) that are relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code of Ethics for Professional Accountants. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards for Non-Publicly Accountable Entities, and for such internal control as management determines is necessary to enable the preparation of financial statements that 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.

Auditor's Responsibilities for the Audit of the Financial Statements

My 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 my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I 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 my 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 the effectiveness of the Company's internal control.
- 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 I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my 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.

I communicate with management regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

NETILUCK DENSIRIMONGKOL
Certified Public Accountant
Registration No. 5192

MORISON CKS CO., LTD.
Bangkok
April 11, 2025

Statement of Financial Position as at March 31, 2025

Particulars	NOTE	2025		2024	
		Baht	Rs Lacs	Baht	Rs Lacs
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4	**12,63,70,544**	**3,181.41**	78,30,943	179.57
Trade and other receivables	5	**2,31,01,261**	**581.58**	1,88,34,874	431.90
TOTAL CURRENT ASSETS		**14,94,71,805**	**3,762.99**	2,66,65,817	611.47
NON-CURRENT ASSETS					
Equipment	6	**5,06,797**	**12.76**	4,09,016	9.38
Refundable deposit		**11,54,584**	**29.07**	10,74,190	24.63
TOTAL NON-CURRENT ASSETS		**16,61,381**	**41.83**	14,83,206	34.01
TOTAL ASSETS		**15,11,33,186**	**3,804.82**	2,81,49,023	645.48
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Other current payables	7	**36,87,172**	**92.83**	22,78,128	52.24
Unearned Income		**1,31,87,600**	**332.00**	4,07,600	9.35
Income tax payable		**7,15,091**	**18.00**	7,49,057	17.18
TOTAL CURRENT LIABILITIES		**1,75,89,863**	**442.83**	34,34,785	78.76
NON-CURRENT LIABILITIES					
Employee benefit obligation	8	**24,86,241**	**62.59**	16,22,946	37.22
		24,86,241	**62.59**	16,22,946	37.22
TOTAL LIABILITIES		**2,00,76,104**	**505.42**	50,57,731	115.98
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital	9				
Ordinary shares, THB 11,70,000/- shares of par Baht 100 each		**11,70,00,000**	**2,945.51**	1,50,00,000	343.96
Issued and paid up share capital					
Ordinary shares, 1,170,000 shares of par Baht 100 each (2024:Ordinary shares, 150,000 shares of paid-up Baht 100 each)		**11,70,00,000**	**2,945.51**	1,50,00,000	343.96
Retained earning (Deficit)		**1,40,57,082**	**353.89**	80,91,292	185.54
TOTAL SHAREHOLDERS' EQUITY		**13,10,57,082**	**3,299.40**	2,30,91,292	529.51
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		**15,11,33,186**	**3,804.82**	2,81,49,023	645.48

Exchange rate : as at 31 March 2025 is THB = Rs 2.52
Exchange rate : as at 31 March 2024 is THB = Rs 2.29

Statement of income
For the year ended March 31, 2025

Particulars	NOTE	2025		2024	
		Baht	Rs Lacs	Baht	Rs Lacs
REVENUE					
Service income	12	**7,16,07,899**	**1,802.75**	6,33,43,630	1,452.53
Other income		**1,97,697**	**4.98**	8,88,486	20.37
TOTAL REVENUE		**7,18,05,596**	**1,807.72**	6,42,32,116	1,472.91
EXPENSES					
Cost of services		**4,44,35,078**	**1,118.66**	4,13,70,041	948.66
Administrative expenses		**1,95,76,009**	**492.83**	1,72,67,417	395.96
Other Expenses		**1,13,924**	**2.87**	-	-
TOTAL EXPENSES		**6,41,25,011**	**1,614.36**	5,86,37,458	1,344.61
NET LOSS FOR THE YEAR / PERIOD		**76,80,585**	**193.36**	55,94,658	128.29
Finance Cost		**(1,420)**	**(0.04)**	(20,939)	(0.48)
PROFIT/(LOSS) BEFORE INCOME TAX		**76,79,165**	**193.32**	55,73,719	127.81
Income tax expense		**(17,13,375)**	**(43.13)**	(11,71,397)	(26.86)
NET PROFIT/(LOSS) FOR THE YEAR		**59,65,790**	**150.19**	44,02,322	100.95

Statement of changes in shareholders' equity For the Year Ended March 31, 2025

Particulars	Notes	Issued and paid up share capital		Deficit		Total	
		Baht	Rs Lacs	Baht	Rs Lacs	Baht	Rs Lacs
Balance as at March 31, 2023		1,50,00,000	343.96	36,88,970	84.59	1,86,88,970	428.56
Net profit for the period		-	-	44,02,322	1 00.95	44,02,322	100.95
Balance as at March 31, 2024		1,50,00,000	343.96	80,91,292	185.54	2,30,91,292	529.51
Issue of share capital	9						
- Ordinary shares		**10,20,00,000**	**2,567.88**			**10,20,00,000**	**2,567.88**
Net profit for the year		**-**	**-**	**59,65,790**	**1 50.19**	**59,65,790**	**150.19**
Balance as at March 31, 2025		**11,70,00,000**	**2,945.51**	**1,40,57,082**	**353.89**	**13,10,57,082**	**3,299.40**

THERMAX (THAILAND) LIMITED

Notes to financial statements - March 31, 2025

1. General information

Thermax (Thailand) Limited was incorporated as a limited company under Thai laws on March 9, 2020.

Its majority shareholder is Thermax Engineering Singapore Pte Ltd., a company incorporated in Singapore.

The Company operates its business in Thailand engaged in providing marketing and sale support services to affiliated and group companies, advisory services on business operations and engineering and technical services related to energy and environmental business.

The Company's registered address is at 43 Thai CC Tower, 24th Floor, Room No.245, South Sathorn, Yannawa Sub-District, Sathorn District, Bangkok.

2. Basis of preparation

The financial statements have been prepared in accordance with Thai Financial Reporting Standard for Non-Publicly Accountable Entities (Revised 2022) as issued by the Federation of Accounting Professions and their presentation has been made in compliance with the stipulations announced by the Department of Business Development regarding "The Brief Particulars in the Financial Statements B.E. 2566" dated 27 October 2023, issued under the Accounting Act B.E. 2543.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

The preparation of financial statements in conformity with Thai Financial Reporting Standard for Non-Publicly Accountable Entities requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the related amounts of revenues and expenses during the reported period. Although these estimates are based on management's best knowledge of current events and actions, actual results may differ from those estimates.

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

Comparative figures have been reclassified to conform with changes in presentation in the current year.

3. Significant accounting policies

3.1 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

3.2 Trade accounts receivable

Trade accounts receivable are carried at original invoice amount and subsequent measure at the remaining amount less allowance for doubtful accounts based on a review of all outstanding amounts at year end. The amount of the allowance is the difference between the carrying amount of the receivables and the amount expected to be collectible. Bad debts are written off during the year in which they are identified and recognised in the statements of income.

3.3 Equipment

Equipment are stated at historical cost less accumulated depreciation and losses on decline in value (if any).

Depreciation is calculated so as to write - off the cost of the assets on a straight-line basis over the expected useful lives of the assets concerned as follows:

Description	%
Furniture and fixtures	20
Office equipment	20

No depreciation provided on land and assets under construction and installation.

3.4 Losses on decline in value

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of a permanent decline in value. If any such indication exists, the assets' recoverable amounts are estimated. A loss on decline in value is recognised in the statement of income.

3.5 Provisions

Provisions, are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

3.6 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses, contributions to the social security fund and other benefits are recognised as expenses when incurred.

Defined benefit plans

The Company has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company treats these severance payment obligations as a defined benefit plan.

Obligations for retired benefits and other long-term employee benefits are recognised using the best estimate method at the reporting date.

3.7 Operating Lease

Leases of assets under which a significant portion of the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Payments made under operating leases are charged to the statement of income on a straight-line basis over the lease term.

3.8 Foreign currencies

Transactions during the year denominated in foreign currencies are translated into Thai Baht at the exchange rates ruling when the transactions were entered into. Monetary assets and liabilities denominated in foreign currencies are translated into Thai Baht at the exchange rates ruling at the statements of financial position date. Exchange gains or losses are included in the statements of income.

3.9 Related parties transactions

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

3.10 Revenues and expenses recognition

Service income, excluding value add tax, is recognized when service have been rendered taking into account the stage of completion.

Other income and expenses are recognised on the accrual basis.

3.11 Income tax

Income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Notes to financial statements - March 31, 2025

4. Cash and cash equivalents

	2025	2024
	Baht	Baht
Cash on hand	**76,471**	18,808
Bank deposits-saving accounts	**20,50,201**	-
Bank deposits-current accounts	**2,43,27,319**	78,12,135
Bank deposits-fixed deposits not over 3 months	**9,99,16,553**	-
Total	**12,63,70,544**	78,30,943

5. Trade & Other Current Receivables

	2025	2024
	Baht	Baht
Trade receivables		
Trade receivables-related parties	**1,96,15,099**	1,66,97,033
Trade receivables-other parties	**3,05,303**	45,675
	1,99,20,402	1,67,42,708
Other receivables		
Prepaid expenses	**26,83,775**	19,65,840
Others	**4,97,084**	1,26,326
	31,80,859	20,92,166
Total	**2,31,01,261**	1,88,34,874

6. Equipment

	Furniture and fixtures	Office equipment	Total
	Baht	Baht	Baht
COST			
As at April 1, 2024	1,04,959	5,09,748	6,14,707
Additions	8,393	2,19,950	2,28,343
As at March 31, 2025	**1,13,352**	**7,29,698**	**8,43,050**
ACCUMULATED DEPRECIATION			
As at April 1, 2024	47,554	1,58,137	2,05,691
Depreciation charge	21,406	1,09,156	1,30,562
As at March 31, 2025	**68,960**	**2,67,293**	**3,36,253**
NET BOOK VALUE			
As at April 1, 2024	57,405	3,51,611	4,09,016
As at March 31, 2025	44,392	4,62,405	5,06,797
Depreciation for the year ended March 31, 2024			1,04,637
Depreciation for the year ended March 31, 2025			1,30,562

7. Other current paybles

	2025	2024
	Baht	Baht
Accrued expenses	**8,63,339**	7,70,354
Undue output tax	**12,90,371**	10,87,713
Value added tax payable	**10,26,365**	-
Withholding tax payable	**4,72,597**	3,90,061
Social security payable	**34,500**	30,000
Total	**36,87,172**	22,78,128

8. Provision for employee benefits

	2025	2024
	Baht	Baht
At beginning of the year	**16,22,946**	13,39,793
Provisions made	**8,63,295**	2,83,153
At end of the year	**24,86,241**	16,22,946

Provision for employee benefits recognised as expenses are calculated based on the last salary and length of employment in accordance with the conditions specified in the regulations of the Company and criteria for severance pay specified in the labour law, and taking into account the possibility that each employee will work with the Company until retirement.

9. Share Capital

At an Extraordinary General Meeting of Shareholders held on October 21, 2024, the shareholders approved an increase in share capital of the Company from Baht 15 million to Baht 115 million by the issuance of 1,000,000 ordinary shares of Baht 100 each to totaling 1,150,000 ordinary shares of Baht 100 each. The Company registered an increase in share capital with the Ministry of Commerce on November 19, 2024.

At an Extraordinary General Meeting of Shareholders held on January 23, 2025, the shareholders approved an increase in share capital of the Company from Baht 115 million to Baht 117 million by the issuance of 20,000 ordinary shares of Baht 100 each to totaling 1,170,000 ordinary shares of Baht 100 each. The Company registered an increase in share capital with the Ministry of Commerce on March 12, 2025.

10. Contingent liabilities

As at March 31, 2025, the Company had contingent liabilities in respect of an advance payment guarantee issued by a local commercial bank, totaling Baht 12.78 million. The guarantee was provided to secure the advance payment received from a customer for the performance of contractual obligations in the normal course of the Company's business.

11. Operating lease commitments

The Company has entered into lease agreements in respect of the lease of office space, vehicles, and accommodation. Under the terms of the agreements, the Company has committed to pay monthly rental and service fees in accordance with the agreements.

The future aggregate minimum lease payments under operating leases are as follows:

	2025	2024
	Thousand Baht	Thousand Baht
Not later than 1 year	**2,012**	3,534
Later than 1 year but not later than 5 years	**82**	1,565
	2,094	5,099

12. Promotional Privileges

The Company received promotional privileges from the Board of Investment under a promotion certificate No.63-0854-1-00-0-0 approved on December 11, 2019, the Company was granted certain promotional privileges for investment promotion on trade and investment support office (TISO). Under these privileges, the Company is required to comply with the terms and conditions as specified in the promotion certificate.

According to the announcement of the Board of Investment No. 14/1998 dated December 30, 1998 regarding reporting of revenue under the promotional privileges, the Company is required to report separately revenues from domestic and export between its promotional and non-

promotional activities. Details are as follows:

For the year ended March 31, 2025

	Promoted operations	Non-promoted operations	TOTAL
	Baht	Baht	Baht
SERVICES INCOME			
Domestic services	7,16,07,899	-	7,16,07,899
TOTAL	**7,16,07,899**	**-**	**7,16,07,899**

For the year ended March 31, 2024

	Promoted operations	Non-promoted operations	TOTAL
	Baht	Baht	Baht
SERVICES INCOME			
Domestic services	63,343,630	-	63,343,630
TOTAL	**63,343,630**	**-**	**63,343,630**

13. Approval of financial statements

These financial statements were authorized for issuance by the Company's director on April 11, 2025.

THERMAX

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