

CORPORATE INFORMATION

BOARD OF DIRECTORS

Non - Executive Non - Independent Director -Chairperson

Mrs. Sasikala Raghupathy

Independent Directors

Mr. Krishnamoorthi
Meyyanathan

Mr. Surilisubbu Vasudevan

Ms. Narmadha Dinakaran

Executive Director

Mr. Ganesan Jeyakrishna

Managing Director

Mr. Arjun Govind
Raghupathy

KEY MANAGEMENT PERSONNEL

S.Sundar
Chief Financial Officer,
Company Secretary &
Compliance Officer

STATUTORY AUDITOR

Anand & Ponnappan,
Chartered Accountants,
Chennai.

INTERNAL AUDITOR

R Bupathy & Co,
Chartered Accountants,
Chennai.

SECRETARIAL AUDITOR

S Satheesh Kumar &
Associates,
Company Secretaries,
Chennai.

LENDERS AND BANKERS

National Asset
Reconstruction
Company Limited
("NARCL")

State Bank of India

Axis Bank

ICICI Bank

Kotak Mahindra Bank

REGISTERED OFFICE:

E-4, Pannamgadu Industrial
Estate, Ramapuram Post, Tada
Mandalam, Tirupathi District ,
Andhra Pradesh, 524401

CORPORATE OFFICE:

443, Anna Salai, Teynampet,
Chennai-600018.

Website: www.bgrcorp.com

CIN

L40106 AP1985PLC005318

ISIN

Equity Shares :INE661I01014

SHARE TRANSFER AGENT

MUFG Intime India Private Limited
(formerly Link Intime India Private Limited)
(Registrar and Share Transfer Agent)

C-101, Embassy 247, Lal Bahadur
Shastri Marg, Vikhroli (West), Mumbai City,
Mumbai, Maharashtra, India, 400083
Tel: +91 810 811 6767
Email: investor.helpdesk@in.mpms.mufg.com

**BGR ENERGY SYSTEMS LIMITED**

443 ANNA SALAI, TEYNAMPET, CHENNAI 600018, TAMILNADU, INDIA

TEL: 91 44 24364422/24320390 E-mail: compliance@bgrenergy.comWeb site: www.bgrcorp.com

To the Members of
BGR ENERGY SYSTEMS LIMITED

Your directors is presenting the 40th Board's Report covering the highlights of the business and operations of your Company along with the Audited Standalone and Consolidated Financial Statements for the Financial Year ended March 31, 2026.

1. FINANCIAL RESULTS

The Standalone and Consolidated Financial Statements of your Company for the Financial Year ended March 31, 2026, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time. The financial performance of your Company for the Financial Year ended March 31, 2026 is summarized below:

DESCRIPTION	(Rs. in Lakhs)			
	STANDALONE		CONSOLIDATED	
	2025-26	2024-25	2025-26	2024-25
Income from operations	29969	45119	29969	45248
Other income	12290	18925	12765	21016
Total income	42259	64044	42734	66264
Profit before exceptional item and tax	(127982)	(97641)	(129172)	(96846)
Tax expense				
Current Tax	0.00	0.00	0.00	0.00
Deferred Tax	0.00	0.00	0.00	0.00
Net profit after tax	(127982)	(98105)	(129172)	(97310)
Other comprehensive income(net)	102	344	102	344
Profit/(Loss)after OCI	(127880)	(97761)	(129070)	(96966)

2. COMPANY'S OPERATING PERFORMANCE AND STATE OF AFFAIRS:

The Company's operating performance and state of affairs has been discussed in Management Discussion and Analysis Report pursuant to Regulation 34(2) read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, amended from time to time. **Annexure-1**

REGISTERED OFFICE:

PLOT NO. E-4 PANNAMGADU INDUSTRIAL ESTATE, RAMAPURAM POST, TADA MANDALAM TRIUPATHI DISTRICT, ANDHRA PRADESH 524401 INDIA.

Corporate Identity Number: L40106AP1985PLC005318

3.DIVIDEND AND APPROPRIATION

In view of losses for the financial year 2025-26, the Board of Directors have not recommended any dividend for the year.

4.TRANSFER TO RESERVE

Due to losses in the financial year 2025-26, no amount has been transferred to reserves.

5. SHARE CAPITAL & LISTING

- The shareholders of the Company had previously approved, at the Annual General Meeting held on 09th August 2024, the increase in the Authorized Share Capital of the Company from ₹1,00,00,00,000 (Rupees One Hundred Crore only) divided into 10,00,00,000 (Ten Crore) equity shares of ₹10/- each to ₹17,00,00,00,000 (Rupees One Thousand Seven Hundred Crore only) divided into 1,70,00,00,000 (One Hundred Seventy Crore) equity shares of ₹10/- each, along with the consequential alteration of Clause V of the Memorandum of Association of the Company.

Subsequently, the Board of Directors reviewed the matter and noted that the proposed increase in the Authorized Share Capital could not be implemented at this stage owing to the classification of the Company's banking accounts as Non-Performing Assets (NPA) by the bankers. Hence, the Board considered it prudent to withdraw the proposed increase in Authorized Share Capital and the related amendment to Clause V of the Memorandum of Association so as to avoid incurring unnecessary statutory costs, regulatory filings and stamp duty obligations associated with such increase.

Accordingly, the shareholders of the Company, at the 39th Annual General Meeting held on Friday, 26th September 2025, approved by way of a Special Resolution the revocation of the resolutions passed on 09th August 2024 in relation to the increase in Authorized Share Capital and the consequential alteration of Clause V of the Memorandum of Association. Pursuant thereto, the Authorized Share Capital of the Company shall continue to remain at ₹1,00,00,00,000 (Rupees One Hundred Crore only) divided into 10,00,00,000 (Ten Crore) equity shares of ₹10/- each, and Clause V of the Memorandum of Association shall stand restored to its original form as existing prior to the aforesaid resolutions.

Debt Assignment to NARCL and Increase in Authorised Share Capital: During the year, the outstanding loan facilities of the Company classified as Non-Performing Assets (NPAs) by the consortium of nine lending banks were assigned to the National Asset Reconstruction Company Limited (NARCL), together with the underlying security interests and other related rights. Pursuant thereto, the Company has been engaged in discussions with NARCL for arriving at a mutual settlement of the outstanding dues.

In order to strengthen the financial position by raising Capital, the Company proposed to increase the authorised share capital of the Company and the shareholders of the Company approved the increase in the Authorised Share Capital of the Company from ₹100,00,00,000 (Rupees One Hundred Crores only) to ₹200,00,00,000 (Rupees Two Hundred Crores only), divided into 20,00,00,000 equity shares of ₹10 each, with such rights, privileges and conditions as may be determined by the Board of Directors at

the time of issue, subject to the provisions of the Companies Act, 2013, by passing the resolution through Postal Ballot on 5th July 2026.

- Your Company has not bought back any of its securities.
- Your Company has not issued shares with differential voting rights during the year under review.
- The Company has not provided any Stock Option Scheme to the employees.
- The Company has not issued any Sweat Equity Shares during the year under review.
- The Company has not made any issue of Debentures during the year 2025-2026.
- The Equity Shares of your Company continued to be listed on the NSE Limited and BSE Limited. Both these stock exchanges have nation-wide trading terminals. Annual listing fee for the Financial Year 2026-27 has been paid to the NSE Limited and BSE Limited.

6. DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP")

As on March 31, 2026, the Board of Directors of your Company comprised of 6 Directors, viz., 2 Executive Directors and 3 Non-Executive Independent Directors including 1 Woman Independent Director and 1 Non-Executive Non-Independent Director.

APPOINTMENT/RE-APPOINTMENT/REGULARIZATION:

1. During the financial year, Mr. Krishnamoorthi Meyyanathan (DIN: 07845698) and Mr. Surulisubbu Vasudevan (DIN: 10388399) were re-appointed as Independent Directors of the Company for a second term of five consecutive years, commencing from 14th May 2025 up to 13th May 2030. Subsequently, reappointment of Mr. Krishnamoorthi Meyyanathan (DIN: 07845698) and Mr. Surulisubbu Vasudevan (DIN: 10388399) was approved by the members by way of Special Resolution passed through Postal Ballot on 11th May 2025.

2. During the financial year, Ms. Narmadha Dinakaran (DIN: 01777888), who was appointed by the Board of Directors as an Additional Independent Director of the Company on 29th March 2025 for a term of five consecutive years up to 28th March 2030, was regularized as an Independent Director of the Company pursuant to the approval of the members by way of Special Resolution passed through Postal Ballot on 11th May 2025.

RESIGNATION/ CHANGES IN KMP

During the year, Mr. S. Pattabiraman was re-designated from the position of Chief Financial Officer to Vice President – Accounts with effect from 01st September 2025.

Consequent to the above, Mr. S. Sundar, Company Secretary, was appointed as the Chief Financial Officer of the Company, in addition to his existing responsibilities as Company Secretary, with effect from 01st September 2025.

DIRECTOR LIABLE TO RETIRE BY ROTATION

Pursuant to Section 152 of the Act, Mr. Arjun Govind Raghupathy (DIN: 02700864), Director is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, seeks re-appointment. The Board of Directors, on the recommendation of Nomination and Remuneration Committee ('NRC'), recommended his re-appointment for consideration by the Members at the ensuing Annual General Meeting.

7. INDEPENDENT DIRECTORS

The Board of Directors of your Company comprises optimal number of Independent Directors. The following Non-Executive Directors are independent in terms of Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act:

1. Mr. Krishnamoorthi Meyyanathan (DIN: 07845698)
2. Mr. Surilisubbu Vasudevan (DIN: 10388399)
3. Ms. Narmadha Dinakaran (DIN: 01777888)

None of the Directors of the Company are disqualified as per the provisions of Section 164 of the Act. The Directors of the Company have made necessary disclosures under Section 184 and other relevant provisions of the Act.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence pursuant to Section 149(6) of the Act and Regulation 16(1)(b) of the Listing Regulations and are in compliance with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014.

Further, the Independent Directors have also confirmed that they are not aware of any circumstance or situation, which exists or may be reasonably anticipated, that could impair or impact their ability to discharge their duties as Independent Directors of the Company. The Board is of the opinion that the Independent Directors of the Company possess requisite qualifications, experience and expertise and they hold highest standards of integrity (including the proficiency) and fulfils the conditions specified in the Act read with Rules made thereunder and Listing Regulations and are eligible & independent of the management.

Your Company has established procedures to be followed for familiarizing the Independent Directors with their roles and responsibilities and business of the Company. The details of the familiarization programmes imparted for Independent Directors are available on the website of the Company at <https://www.bgrcorp.com/policy/familiarisation-program-FY-25-26.pdf>

During the Financial Year 2025-26, a separate meeting of Independent Directors, without the participation of Non-Independent Directors and members of the Management was held on 13th February 2026.

8. DIRECTOR'S RESPONSIBILITY STATEMENT

The Financial Statements are prepared in accordance with Ind AS as prescribed under Section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Rules, 2016, as amended thereof.

Pursuant to Section 134(3)(c) read with 134(5) of the Act, the Board of Directors of your Company hereby states and confirms that:

- a) In the preparation of the annual accounts for the financial year ended 31st March 2026 the applicable accounting standards read with requirements set out under Schedule III to the Act had been followed and there are no material departures from the same;
- 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 as at 31st March, 2026 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;
- e) The Directors, have laid down Internal financial controls to be followed by the Company and that such Internal financial controls are adequate and were operating effectively; and
- f) 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.

9. BOARD MEETINGS

The Board of Directors of the Company met Four (4) times during the year under review. The details of these meetings including the composition and attendance of the Directors are provided in the Corporate Governance Report forming part of the Annual Report.

The necessary quorum was present for all the meetings. The intervening gap between the meetings was within the period prescribed under the provisions of Section 173 of the Act.

10. COMMITTEES OF THE BOARD

The Board of Directors of the Company has formed the below mentioned Committees, as per the provisions of the Act and as per Listing Regulations.

AUDIT COMMITTEE	
Mr. Krishnamoorthi Meyyanathan	Chairman
Mr. Surilisubbu Vasudevan	Member
Ms. Narmadha Dhinakaran	Member
Mr. Arjun Govind Raghupathy	Member

NOMINATION AND REMUNERATION COMMITTEE	
Mr. Krishnamoorthi Meyyanathan	Chairman
Mr. Surilisubbu Vasudevan	Member
Mrs. Sasikala Raghupathy	Member

STAKEHOLDER RELATIONSHIP COMMITTEE	
Mr. Krishnamoorthi Meyyanathan	Chairman
Mr. Ganesan Jeyakrishna	Member
Mr. Arjun Govind Raghupathy	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE	
Mrs. Sasikala Raghupathy	Chairperson
Mr. Surilisubbu Vasudevan	Member
Mr. Arjun Govind Raghupathy	Member

The details with respect to the composition, terms of reference and number of meetings held during the year is provided in the Corporate Governance Report section forming part of the Annual Report.

All the recommendations made by the committees of the Board were accepted by the Board.

11. CORPORATE GOVERNANCE

Your Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by Securities and Exchange Board of India.

The report on Corporate Governance as stipulated under Listing Regulations is attached to this report. Certificate from M/s. S Satheesh Kumar & Associates, Practicing Company Secretaries, confirming the compliance with the conditions of Corporate Governance as stipulated under the Listing Regulations is attached to Corporate Governance Report.

12. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNAL AND DISCLOSURE UNDER RULE 8(5)(XII) OF THE COMPANIES (ACCOUNTS) RULES, 2014

During the year under review,

- No significant or material orders were issued by regulators, courts, or tribunals against your Company that would affect its going concern status or future operations.
- Your Company did not require valuation for one-time settlements or while obtaining loans from banks/financial institutions at any point during the period under review.
- The following petitions were filed under the Insolvency and Bankruptcy Code, 2016 by the Operational Creditors and Financial creditors.

SI No	Case No	Claim by	Description	Claim Value (Rs Crores)	Status
1	CP IB 18/2023 RCP(IB) - 1/2025	Suntech Infra Solutions Pvt Ltd	Crane Hiring Charges	2.18	Stayed by AP High Court in WP.No.10971/2025
2	CP.No.43/2022	Elecon Engg	Claim for supplies as per Arbitration	56.98	Stayed by AP High Court in WP.No.20331/2024

SI No	Case No	Claim by	Description	Claim Value (Rs Crores)	Status
			award dated 02.09.2019		
3	CP.No.10/2022	Sunrise Industries	Claim for supplies	3.50	Stayed by AP High Court in WP.No.22051/2024
4	RCP(IB) - 3/2024	Abhi Engineering Corporation Privatelimited	Civil Work Service	7.44	Stayed by AP High Court in WP.No.22061/2024
5	C. P. No. 123/2022	Trinity Associates	Civil Work Service	5.86	Stayed by AP High Court in WP.No.20334/2024
6	C.P. No. 124/2022	Infra Concrete	Civil Work Service	7.27	Stayed by AP High Court in WP.No.20333/2024
7	RCP(IB) - 2/2024	Karpara Project Engineering Private Limited	Arbitration Award	7.95	Stayed by AP High Court in WP.No.20329/2024
8	RST.A (IBC)-10(AM)2024	Kanwar Enterprises Private Limited	Supply of Materials	4.73	Stayed by AP High Court in WP.No.20330/2024
9	RCP(IB) - 9/2024	Shri Shrikrishna Rail Engineers Private Limited	Civil Work Service	2.66	Stayed by AP High Court in WP.No.22064/2024
10	RCP(IB) - 6/2024	Andipat Devadasan Proprietor M/S Priya Constructions	Civil Work Service	1.32	Stayed by AP High Court in WP.No.18980/2024
11	CP IB 31 / 2024	Dynamic S.S.Engineering Construction Pvt. Ltd	Claim for Sevices	1.74	Stayed by AP High Court in WP.No.22060/2024
12	RCP(IB) - 12/2024	Mr.Keerti Prasad - GKS Associates	Claim for supply and renting of scaffolding materials	5.99	Stayed by AP High Court in WP.No.377/2025
13	RCP(IB) - 11/2024	Tyco Fire and Security	Claim for Supplies	1.85	Stayed by AP High Court in WP.No.22066/2024

SI No	Case No	Claim by	Description	Claim Value (Rs Crores)	Status
14	CP IB 01/2024	Allcargo	Transport Services	4.23	Stayed by AP High Court in WP.No.22067/2024
15	CP IB 05 / 2024	SBJ Projects	Claim for Services	4.74	Stayed by AP High Court in WP.No.22065/2024
16	CP IB 14 / 2024	L & T Lara	Claim for supply	14.55	Stayed by AP High Court in WP.No.22025/2024
17	CP IB No 23 / 2024	Dynamic SS Engineering P Ltd	Claim for Services	1.74	Stayed by AP High Court in WP.No.22062/2024
18	CP IB 45/2024	AAKASH GUPTA	Claim for Supply	1.42	Stayed by AP High Court in WP.No.11308/2025
19	CP IB 46/2024	DTH Infra Engineers	RMC Materials	1.81	Stayed by AP High Court in WP.No.11315/2024
20	RCP(IB) - 1/2024	Siemens	Claim for supply and installation of 33KV/230KV GIS substation at Thiruvanniyur	3.05	Stayed by AP High Court in WP.No.22023/2024
21	C.P. (IB) - 58/2024	Canara Bank	Working Capital Facilities	547.00'	Stayed by AP High Court in WP.No.736/2025
22	C.P. (IB) - 61/2024	Central Bank	Working Capital Facilities	71.00'	Stayed by AP High Court in WP.No.739/2025
23	CP IB 2/2024	Govind Service Agency	Claim for Services	2.64	Stayed by AP High Court in WP.No.22076/2024
24	CP.No.41/2021	Raj Lifters	Claim for hiring of Crawler Crane	1.26	Stayed by AP High Court in WP.No.22077/2024

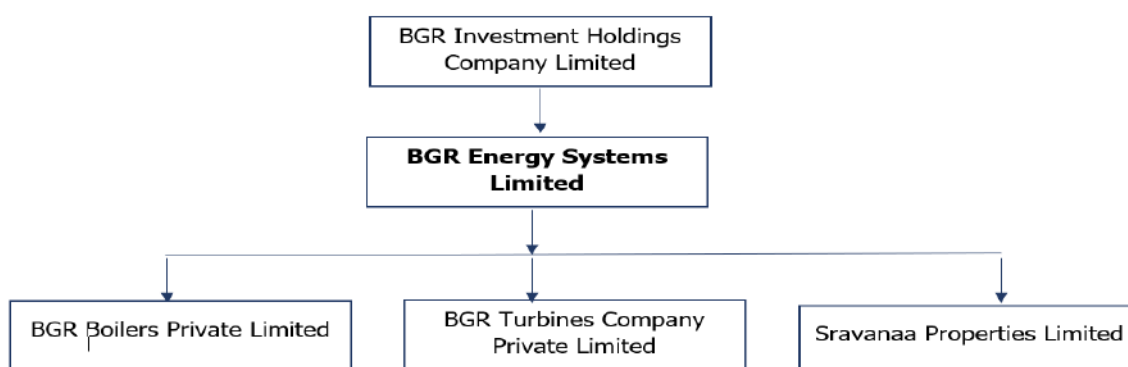
13. WHISTLE BLOWER POLICY - VIGIL MECHANISM

Pursuant to provisions of Section 177(9) of the Act and Regulation 22 of the Listing Regulations, your Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism for Directors and employees whereby direct access to the Chairperson of the Audit Committee was provided. This framework is designed to empower directors, employees, and other stakeholders to confidentially report any unethical behaviour,

fraud and violations of our code of conduct, thereby safeguarding against victimization and promoting an ethical workplace.

Your Company hereby affirms that during the year under review no incident reported under vigil mechanism and no person has been denied access to the Audit Committee. Whistle Blower policy is available on the website of your Company at https://www.bgrcorp.com/policy/WhistleBlowerPolicyCircular2024_V1.pdf.

14. HOLDING & SUBSIDIARY COMPANIES



The Policy for determination of material subsidiaries of your Company is available on your website of the Company. https://www.bgrcorp.com/policy/material_subsidary_policy1.pdf

According to the said policy, BGR Boilers Private Limited, BGR Turbines Company Private Limited and Sravanaa Properties Limited is the material subsidiary of your Company.

During the year, the Board of Directors reviewed the affairs of the subsidiaries. Further, pursuant to the Section 129(3) of the Act, a statement containing salient features of the Financial Statements of your Company's Subsidiaries (including their performance and financial position) in Form AOC-1 is annexed to this report as **Annexure – 2**. Further, contribution of subsidiary(ies) to the overall performance of your Company is outlined in Note No. 41 of the Consolidated Financial Statements.

Further, pursuant to the provisions of Section 136 of the Act, the Audited Financial Statements of your Company (Standalone & Consolidated) and other relevant documents and audited Financial Statements of subsidiaries, are available on the Company's website at https://www.bgrcorp.com/sebi_lodr_regulations.php

As of March 31, 2026, Company has one Joint Venture company viz. Mecon-Gea Energy Systems (India) Ltd.

15. INTERNAL FINANCIAL CONTROLS AND ITS ADEQUACY

Internal Financial Controls are an integral part of the risk management process, addressing financial and financial reporting risks. It is commensurate with the size and nature of operations. The internal financial controls have been embedded in the business processes.

Assurance on the effectiveness of internal financial controls is done through monitoring and review process by management and internal auditors during the course of their audits. We believe that these systems provide reasonable assurance that our internal financial controls are designed effectively. The Audit Committee reviews the reports submitted by the Internal Auditors. Suggestions for improvement are considered and the corrective actions are undertaken.

16. AUDITORS AND AUDITORS REPORT

STATUTORY AUDITORS

M/s. Anand and Ponnappan, Chartered Accountants, Chennai were appointed as Statutory Auditors for term of five financial year from 2022-23 to 2026-27 at the Annual General Meeting held on September 29, 2022 and the reports of Statutory Auditors forms a part of this Annual Report.

The Statutory Auditors of the Company have issued their Audit Report on the Standalone Financial Results of the Company for the financial year ended 31st March 2026 with an unmodified opinion. The Auditors have drawn attention to certain matters by way of Emphasis of Matter, including claims relating to NUPPL Ghatampur contract, NTTPs Vijayawada contract, assignment of dues by certain banks to NARCL and material uncertainty relating to going concern. However, the Auditors have stated that their opinion is not modified in respect of the said matters. No qualification has been raised by Auditors in the Standalone Audit Report.

The Statutory Auditors have issued a Qualified Opinion on the Consolidated Financial Results of the Company for the financial year ended 31st March 2026. The qualification primarily relates to:

- 1. Reliance on unaudited financial statements of certain subsidiaries and a joint venture, which were furnished by the management and not audited by the Statutory Auditors.*

Management Response: At the time of finalisation of the consolidated financial statements, the statutory audits of the subsidiaries and the joint venture were pending. The Company has since taken necessary steps to ensure that future consolidated financial statements are based on audited financial statements.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has appointed M/s. S Satheesh Kumar & Associates, Company Secretary in practice to undertake the secretarial audit of the Company. The Report of secretarial audit is annexed as **Annexure – 3**.

M/s. BGR Turbines Company Private Limited, M/s. BGR Boilers Private Limited and M/s. Sravanaa Properties Limited are material subsidiaries of the Company for the Financial Year 2025-2026. Pursuant to Regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Secretarial Audit Reports of the material subsidiaries for the financial year ended 31 March 2026 are annexed to this Board's Report as Annexure-4.

With reference to the observation(s) contained in the Secretarial Audit Report of **BGR ENERGY SYSTEMS LIMITED AND ITS SUBSIDIARIES**, the Board of Directors hereby submits its response as under:

1. The Statutory Auditors of the Company issued a Qualified Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2026. The consolidation was based entirely on the un-audited, management-certified provisional financials of its material subsidiaries, namely BGR Boilers Private Limited and BGR Turbines Company Private Limited, meaning the true impact of final audit adjustments remains unverified.

Management response: The consolidated financial statements were prepared based on provisional financial information of the material subsidiaries, as their statutory audits were pending for completion. Necessary adjustments, if any, will be considered upon completion of the audits.

2. The Company has not complied with the provisions of Section 136 of the Companies Act, 2013 read with Regulation 46(2)(s) of the SEBI (LODR) Regulations, 2015, as the separate audited financial statements of BGR Boilers Private Limited and BGR Turbines Company Private Limited for the financial year 2024–25 were uploaded on the Company's website only in June 2026 instead of being made available at least twenty-one days prior to the Annual General Meeting held on 26 September 2025.

Management response: The delay was due to the non-availability of the audited financial statements of the material subsidiaries within the prescribed timeline. The Company has since uploaded the same.

3. The minutes of the Board meetings of the unlisted subsidiaries were not placed before the Board of Directors of the holding Company during the reporting period, as mandated by Regulation 24(3) of SEBI LODR.

Management response: The Company places the minutes of the Board Meetings of the unlisted subsidiaries at the last Board Meeting of the year, as a practice. Henceforth the minutes of the Board Meetings of the unlisted subsidiaries will be placed in the holding Company's all Board Meetings.

4. The Company failed to appoint Independent Directors onto the Boards of its material unlisted subsidiaries (BGR Boilers Private Limited, BGR Turbines Company Private Limited, and Sravanaa Properties Limited) in compliance with Regulation 24 of SEBI LODR.

Management response: The Company has initiated the process for appointment of Independent Directors on the Boards of its material unlisted subsidiaries and will ensure compliance with Regulation 24 of the SEBI LODR Regulations.

5. Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company delayed payments to micro and small vendor partners. As of March 31, 2026, a total principal balance of Rs.11,210 lakhs remains overdue, carrying an un-cleared compound interest liability of Rs. 5,952 lakhs.

Management response: The delay in payment of MSME dues was primarily due to the Company's liquidity constraints and financial stress. The Company is making continuous efforts to clear the outstanding dues.

6. In non-compliance with the timelines under Chapter VI of the Act, the Company has failed to register the satisfaction of closed or resolved corporate bank charges with the Registrar of Companies (ROC). Total pending charge satisfactions stand at Rs. 5,484 lakhs across lenders including State Bank of India, Axis Bank, ABN Amro Bank, HDFC Bank, and ICICI Bank.

Management response: The pending charges have all been relating to the period between 2006 and 2011 and there are no outstandings against those charges. However, as these charges are very old, the required satisfaction of charge letters could not be received from banks despite repeated follow ups. In respect of ABN Amro, no follow up could be made as the bank itself has wound up its operations. Therefore these old redundant charges could not be closed. Therefore, these charges could not be closed, and the satisfaction of such charges could not be registered on the Ministry of Corporate Affairs (MCA) portal.

7. The Company continues to operate in persistent default of Section 135 of the Act, holding an accumulated historical shortfall of unspent and un-transferred Corporate Social Responsibility (CSR) funds totalling Rs.1,301 lakhs up to the financial year 2019-20.

Management response: The accumulated CSR shortfall pertains to earlier financial years and was primarily due to the Company's financial constraints.

8. The Stock Exchanges imposed an aggregate penalty of Rs. 1,06,200/- on the Company for delays in the timely submission of its Consolidated Review Report.

Management response: The delay was inadvertent, and the Consolidated Review Report was subsequently submitted. The Company has strengthened its compliance mechanisms to avoid recurrence.

BGR BOILERS PRIVATE LIMITED

9. Appointment of Woman & Independent Director (Sec. 149), Internal Auditor (Sec. 138) & Key Managerial Personnel (Sec. 203), Annual Performance Evaluation (Sec 134(3)(p)) & Constitution of Audit & Nomination and Remuneration Committee (Sec. 177 & 178) and Framing of Vigil Mechanism Policy (Sec 177(9) & (10)).

Management response: The Company acknowledges the delay and necessary steps are being taken to comply.

10. Company has conducted the 15th AGM for the financial year 2023-24 on 19th December 2025 after the due date. The 16th AGM for the Financial Year 2024-25 held on 29th May 2026 after the due date.

Management response: The Company acknowledges the delay and the same has since been complied with.

11. The Company had not complied with the provisions of Rule 9A of the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, as amended, during the audit period, as 9,49,00,000 equity shares of Rs.10 each, constituting 69.9935% of the issued share capital of the Company, remained in physical form as

at 31st March 2026. However, the Company has completed the dematerialisation of the said shares as on the date of this Report.

Management response: Though the Company has taken steps to demat the shares, due to procedural delay it was completed after March 2026 and all the equity shares of the Company are now held in dematerialised form.

12. Non-compliance under Section 177 and 188 (Unapproved Related Party Transactions & Advances): The Company has accepted unsecured customer advances and maintained trade payables aggregating to Rs. 5,47,92,83,679/- (Rupees Five Hundred and Forty Seven Crores Ninety Two Lakhs Eighty Three Thousand Six Hundred and Seventy Nine) from related parties without obtaining the requisite approvals from the Audit Committee and the Board of Directors, resulting in non-compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013.

Management response: The non-compliance was primarily due to the absence of a duly constituted Audit Committee during the relevant period.

13. Non-compliance under the Foreign Exchange Management Act (FEMA), 1999 - The Company has failed to settle its long-outstanding foreign currency trade payables or obtain the requisite approvals/extensions from the AD Bank/RBI, resulting in a foreign exchange loss of Rs. 4,33,88,669/- (Rupees Four Crores Thirty-Three Lakhs Eighty-Eight Thousand Six Hundred and Sixty-Nine) as on 31 March 2026, in contravention of FEMA, 1999 and the rules made thereunder.

Management response: The non-compliance was primarily due to disputes with the overseas supplier and the payment is kept pending. The Company is taking necessary steps to resolve the dispute, and the payment will be made after the settlement.

BGR TURBINES COMPANY PRIVATE LIMITED

14. Appointment of Woman & Independent Director (Sec. 149), Internal Auditor (Sec. 138) & Key Managerial Personnel (Sec. 203), Annual Performance Evaluation (Sec. 134(3)(p)) & Constitution of Audit & Nomination and Remuneration Committee (Sec. 177 & 178) and Framing of Vigil Mechanism Policy (Sec 177(9) & (10)).

Management response: The Company acknowledges the delay and necessary steps are being taken to comply.

15. The Company has conducted the 15th AGM for the financial year 2023-24 on 31st October 2025 after the due date. The 16th AGM for the Financial Year 2024-25 held on 28th May 2026 after the due date.

Management response: The Company acknowledges the delay and the same has since been complied with.

16. The Company has significant foreign currency trade payables due to a related party for the import of goods that have remained outstanding for a period exceeding three years, accumulating to a total of Rs. 88,28,64,669 (Rupees Eighty-Eight Crores Twenty-Eight Lakhs Sixty-Four Thousand Six Hundred and Sixty-Nine) as of 31 March 2026.

The Company has failed to file the mandatory applications for an extension of the remittance time limit with its Authorized Dealer (AD) Banker or the Reserve Bank of

India (RBI). This is an ongoing contravention of the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015, read with applicable RBI Master Directions on Imports.

Management response: The outstanding foreign currency trade payables pertain to transactions with a related party. The delay in settlement and filing of the requisite applications with the AD Bank/RBI was due to ongoing discussions between the parties.

INTERNAL AUDITOR

Pursuant to the provisions of Section 138 of the Act and the Companies (Accounts) Rules, 2014, M/s. R Bhupathy & Co, Chartered Accountants, were appointed as the Internal Auditors to conduct the audit for the year under review. The Internal Auditor of the Company reports functionally to the Audit Committee of the Company, which reviews and approves risk based annual internal audit plan. The Audit Committee periodically reviews the performance of internal audit function. The recommendations of the internal audit team on improvements required in the operating procedures and control systems are also presented to the Audit Committee, for the teams to use these tools to strengthen the operating procedures.

COST AUDITOR

The Company is required to maintain cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and accordingly during the year such accounts and records were made and maintained by the Company. The Board of Directors have appointed J.V. Associates, Cost Accountants as the Cost Auditor of the Company for the Financial year 2025-26, under Section 148 of the Companies Act, 2013.

REPORTING OF FRAUD BY AUDITORS

During the year under review, none of the Auditors have not reported any instances of frauds committed in the Company by its officers or employees, to the Audit Committee under Section 143(12) of the Act, details of which needs to be mentioned in this Report.

17. ANNUAL RETURN

Pursuant to Section 92(3) and Section 134(3)(a) of the Act together with Rule 12 of the Companies (Management and Administration) Rules, 2014, your Company has placed a copy of the annual return as of March 31, 2026 on its website at https://www.bgrcorp.com/sebi_lodr_regulations.php.

18. REWARDS & RECOGNITION

During the year under review, your Company was felicitated with:

1. Product Business Division (PBD)

ISO 45001:2018 & ISO 14001:2015 Re-Certification Audits

Successfully completed the re-certification audits for ISO 45001:2018 (Occupational Health and Safety Management System) and ISO 14001:2015 (Environmental Management System) at the Product Business Division (PBD) Factory on 29th April 2026.

Successfully completed the Intertek Workplace Conditions Assessment (WCA) Audit on 10th June 2026.

2. Electrical Projects Division

ISO 45001:2018 & ISO 14001:2015 Re-Certification Audits

Successfully completed the re-certification audits for ISO 45001:2018 and ISO 14001:2015 on 16th February 2026.

3. Power Project Division & Electrical Projects Division

ISO 9001:2015 Second Surveillance Audit

Successfully completed the ISO 9001: 2015 Quality Management System (QMS) Second Surveillance Audit on 20th February 2026.

4. Neyveli Uttar Pradesh Power Limited (NUPPL)- Ghatampur Power Station (3X660MW)

Further to commercial operation of Unit#1 in Dec'24, achieved Unit#2 commercial operation date in Nov'25. Supplying power to state and national grid.

Unit#3 in advance stage in synchronisation.

19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

(A) Conservation of Energy – As most of the Projects are near completion and no new orders, no major initiative has been taken in this regard

(B) Technology Absorption – Rule 8 (3)(B) of Companies (Accounts) Rules 2014 is not applicable to the Company.

(C) Foreign Exchange Earnings and Outgo – Foreign Exchange Earnings Rs. 246 lakhs and Outgo is Rs. 27 lakh

20. DEPOSITS

Your Company has not accepted any deposits during the year under review falling within the ambit of Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014.

21. DISCLOSURES AS REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Your Company is dedicated to providing a healthy work environment to all employees, free from any form of prejudice or gender bias. In line with the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, and the applicable rules Company has implemented a gender-neutral Policy for:

Prevention, Prohibition and Redressal of Sexual Harassment at Workplace ("POSH") and constituted an Internal Complaints Committee ("ICC").

Your Company has also established a grievance procedure for protection against victimization.

The Policy for Prevention, Prohibition and Redressal of Sexual Harassment at Workplace is available on the website of your Company at Policies for employees to access as and when required.

The following is a summary of the complaints received and disposed of during the financial year under review:

(a) number of complaints of sexual harassment received in the year	Nil
(b) number of complaints disposed off during the year; and	Nil
(c) number of cases pending for more than ninety days	Nil

22. COMPLIANCE UNDER MATERNITY BENEFITS ACT, 1961/CODE ON SOCIAL SECURITY, 2020

In terms of Rule 8(5)(xiii) of the Companies (Accounts) Rules, 2014, as introduced by the Companies (Accounts) Second Amendment Rules, 2025, the Board of Directors hereby confirms that during the financial year ended March 31, 2026, the Company has complied with all applicable provisions of the Maternity Benefit Act, 1961, as subsumed and consolidated under Chapter VI of the Code on Social Security, 2020, and the rules framed thereunder, as amended from time to time.

23. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans, guarantees or investments covered under the provisions of Section 186 of the Companies Act, 2013 are disclosed in the note No.3 to the Financial Statements.

24. RELATED PARTY TRANSACTIONS

In line with the requirements of the Act and the Listing Regulations, your Company has formulated a Related Party Transactions (RPT) Policy which is being periodically reviewed by the Audit Committee and approved by the Board. The RPT Policy is available on your Company's website at <https://www.bgrcorp.com/policy/policy-on-related-party-transactions2025.pdf>.

All transactions entered into with related parties during the year under review were in the ordinary course of business and on an arm's length basis and were approved by the Audit Committee and the Board of Directors.

During the year under review there were no material transactions entered by the Company with any of its related parties necessitating approval of the members.

Particulars of the contracts, arrangements or transactions entered during Financial Year 2025-26 that fall under the scope of Section 188(1) of the Act in the prescribed Form AOC-2 is annexed to this report as "**Annexure - 2**".

Pursuant to Regulation 23(9) of the Listing Regulations, your Company has filed the reports on related party transactions with the Stock Exchanges.

25. RISK MANAGEMENT

The Company as part of Standard Operating System and Procedure institutionalized risk management covering risk identification, mitigation and management measures. The Risk Charter and Policy have been brought to practice as part of internal control systems and procedures. The Management has applied the risk management policy to business activities and processes, and this is reviewed to ensure that executive management manages risk through means of a properly defined framework. The Company is taking steps to make the risk management process more robust and institutionalized.

26. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has a Corporate Social Responsibility Committee constituted by the Board of Directors, comprising Mrs. Sasikala Raghupathy as the Chairperson and Mr. Arjun Govind Raghupathy and Mr. Jeyakrishna Ganesan as members of the Committee. The CSR Policy formulated and recommended by the Committee is in place.

However, the provisions relating to CSR spending are not applicable to the Company for the financial year 2025–26 and accordingly, no CSR expenditure was required to be incurred during the Financial Year 2025-26.

27. BOARD EVALUATION

Pursuant to provisions of the Act and the Listing Regulations, annual performance evaluation of the Directors including the Chairperson, Board and its Committees has been carried out. As part of the evaluation process, individual criteria for each of the exercise was formulated. Each member of the Board/Committee/Director was sent a formal questionnaire to evaluate different categories based on several parameters. According to the Act and Listing Regulations, they had to rate each parameter individually. The evaluations were presented to the Board, Nomination and Remuneration Committee, and the Independent Directors Meeting for review.

28. PARTICULARS OF REMUNERATION TO DIRECTOR AND EMPLOYEES

The remuneration paid to the directors is in accordance with the Nomination and Remuneration Policy formulated in accordance with Section 178 of the Act and Regulation 19(4) read with Part D of Schedule II of the Listing Regulations (including any statutory modification(s) or re-enactment(s) thereof for the time being in force).

Details of ratio of remuneration to each Director is annexed to this report as “**Annexure - 7.**

Further, the information pertaining to Rule 5(2) and 5(3) of the aforesaid Rules, pertaining to the names and other particulars of employees is available for inspection at the Registered office of the Company during business hours and the Annual Report is being sent to the members excluding this. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary and Compliance Officer at the Registered Office address or by email to sundar.srinivasan@bgrenergy.com

29. SECRETARIAL STANDARDS

Pursuant to the provisions of Section 118(10) of the Act, Company complies with all applicable mandatory Secretarial Standards as issued by the Institute of Company Secretaries of India (“ICSI”).

30. DIRECTORS & OFFICERS INSURANCE POLICY

The Company has taken Directors & Officers Insurance Policy for the sum assured of Rs. 50 crores from a Private Insurance Company and is being renewed every year.

31. CODE FOR PREVENTION OF INSIDER TRADING

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has in place following policies/codes and the same are available in the website of the Company at <https://www.bgrcorp.com/policy.php>.

This code lays down guidelines advising the management, Designated Persons and other connected persons, on procedures to be followed and disclosures to be made by them while dealing with the shares of the Company, and while handling any Unpublished Price Sensitive Information, cautioning them of the consequences of violations. All compliances relating to Code of Conduct for Prevention of Insider Trading are being managed through a web-based portal installed by the Company.

In Compliance with the abovementioned Regulations, Structural Digital Database (SDD) was maintained by your Company and necessary entries were made to monitor and record the flow of sharing of Unpublished Price Sensitive Information. Adequate training was provided to all employees on the compliance procedures provided in the SEBI (Prohibition of Insider Trading) Regulations, 2015.

32. MATERIAL CHANGES AND COMMITMENTS

Pursuant to Section 134(3)(l) of the Companies Act, 2013, the following material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this Report:

1. Proceedings under the Insolvency and Bankruptcy Code, 2016

An application under the Insolvency and Bankruptcy Code, 2016 (IBC), filed by the Financial Creditor, National Asset Reconstruction Company Limited (NARCL), seeking initiation of the Corporate Insolvency Resolution Process (CIRP) against the Company, was admitted by the Hon'ble National Company Law Tribunal (NCLT), and an Interim Resolution Professional (IRP), Mr. Dommeti Surya Rama Krishna Saibaba (Registration No. IBBI/IPA-003/IP-N00165/2018-2019/12106), was appointed. Consequent to the admission, a moratorium under Section 14 of the IBC came into effect.

The Company has challenged the aforesaid order before the Hon'ble National Company Law Appellate Tribunal (NCLAT), Chennai Bench. The Hon'ble NCLAT, by its order dated April 30th, 2026, suspended the operation of the order passed by the Hon'ble NCLT dated April 17th, 2026. Subsequently, the interim stay granted by the Hon'ble NCLAT was extended on June 15th, 2026. As on the date of this Report, the matter is pending adjudication before the Hon'ble NCLAT and is listed for further hearing on July 30th, 2026. Taking note of the recent developments relating to the settlement proposal with NARCL, the Hon'ble NCLAT adjourned the matter to September 28, 2026, and continued the interim suspension of the order passed by the Hon'ble NCLT. As on the date of this Report, the matter is pending adjudication before the Hon'ble NCLAT.

33. ACKNOWLEDGEMENTS

Your Directors would like to place on record their gratitude for all the guidance and co-operation received from all its clients, vendors, bankers, financial institutions, business associates, advisors, and regulatory and government authorities.

Your Directors also take this opportunity to thank all its shareholders and stakeholders for their continued support and all the employees for their valuable contribution and dedicated service.

**For AND ON BEHALF OF THE BOARD
BGR ENERGY SYSTEMS LIMITED**

**Place: Chennai
Date: 29-07-2026**

**Ganesan Jeyakrishna
Director
DIN:03208035**

**Arjun Govind Raghupathy
Managing Director
DIN:02700864**

ANNEXURES FORMING PART OF BOARD'S REPORT

The annexures referred to in this report and other information which are required to be disclosed are annexed herewith and form part of this Report of Directors.

Annexure	Particulars
1	Management Discussion & Analysis Report
2	AOC-1 & AOC-2
3	Secretarial Audit Report
4	Secretarial Audit Report of all the Subsidiaries
5	Corporate Governance Report
6	Annual report on CSR
7	Details of ratio of remuneration to each Director to the median employee's remuneration and details of remuneration paid to employees

ANNEXURE -1

MANAGEMENT DISCUSSION & ANALYSIS REPORT

BUSINESS OVERVIEW

The financial year 2025-26 was another challenging year for BGR Energy Systems Limited ("the Company"). The Company's operations continued to be impacted by prolonged liquidity constraints arising from the classification of its borrowings as Non-Performing Assets (NPAs) by the lending consortium in the previous years. The limited availability of working capital adversely affected project execution, procurement of materials, mobilisation of manpower and overall operational efficiency.

In view of these financial constraints, the Company adopted a prudent business approach by prioritising the execution and completion of ongoing projects only. No new Balance of Plant (BoP) orders has been accepted. The slowdown in project execution, coupled with increased input costs, supply chain challenges and delays in customer payments, continued to impact the Company's financial performance during the year.

Despite these challenges, the Company remained committed to fulfilling its contractual obligations, preserving customer relationships and maintaining its engineering and project execution capabilities. The management continued to focus on cost optimisation, effective resource utilisation, completion of pending key projects and strengthening operational efficiencies across business verticals.

A significant development during the year was the progress achieved towards the Company's financial restructuring. The financial debt of the Company assigned by the consortium of lenders to the National Asset Reconstruction Company Limited (NARCL) marked an important milestone in the Company's revival process and is expected to provide a structured pathway for long-term financial stability. This will facilitate reduced principal and interest burden of bank loans availed.

Your Company is planning for other means of measures to reduce the other liabilities to boost the investor confidence.

PERFORMANCE HIGHLIGHTS

Revenue from operations during FY 2025-26 declined significantly as compared to the previous financial year owing to slower execution of ongoing engineering, procurement and construction projects along with avoiding new Balance of Plant (BoP) orders due to severe working capital constraints. The Company continued to experience disruptions in procurement activities, mobilisation of project resources and execution schedules, which consequently impacted billing milestones and revenue recognition.

Considering the prevailing business environment and liquidity position, the management consciously adopted a conservative approach towards new order acquisition, particularly in the conventional Balance of Plant (BoP) business. During the year, the Company's strategic focus remained on the successful completion of legacy projects, preservation of its technical capabilities and implementation of measures aimed at business revival and

operational stability.

DEBT RESOLUTION AND BUSINESS REVIVAL

One of the most significant developments during FY 2025-26 was the progress achieved in the Company's debt resolution process.

During the year, a substantial portion of the Company's financial debt held by the consortium of lending banks were assigned to the National Asset Reconstruction Company Limited (NARCL). However, the borrowings from Axis Bank Limited, ICICI Bank Limited and Kotak Mahindra Bank Limited continue to remain with the respective lenders.

The proposed restructuring is expected to rationalise the Company's liability through an overall reduction in the debt including principal and accrued interest. This will strengthen the financial position and improve its network.

The financial restructuring will also facilitate faster execution of ongoing projects, improve operational efficiency, rebuild confidence among customers, vendors, lenders and other stakeholders. Further, this will enable and enhance the Company's ability to pursue new business opportunities in its core engineering and infrastructure segments.

The management believes that successful implementation of the resolution process will be beneficial to all stakeholders in the long run.

PROJECT EXECUTION

Project progress of Engineering and Construction Business

Despite challenging business conditions, the Company continued to execute critical projects across the thermal, nuclear and electrical infrastructure sectors.

3 X 660 MW Ghatampur Thermal Power Project (NUPPL) Unit II of the 3 x 660 MW Ghatampur thermal power project attained commercial operation status in November 2025. Unit I had attained Commercial operation status in December 2024 Unit III is scheduled to be completed in the 1st Qtr of financial year 2026-27. As on 31st March'26 ,Physical progress achieved is 91.2% and financial progress is 88.8% of the Project value of Rs 3001.44 Cr.

1 x 800 MW NTPPS project of APGENCO is in commercial operation since Dec 2023. The balance works relating to the Ash handling systems and Effluent treatment plant (Stage V) have been completed. Balance works on the Coal handling plant and Railway marshalling yard are progressing well and are poised for completion by Sep 26. The project has achieved progress beyond 90% of the work scope.

For the NPCIL 2 x 1000 MW Light water Reactor project at Kudamkulam, we are executing the Electrical and C&I packages. On the Electrical package, the 220 KV GIS system is in an advanced stage of completion and the 220 KV GIS was recently taken into service. Work on the 400 KV GIS is progressing well. 73.63% of the Contract Value of Rs 374.77 Cr (including GST) has been delivered. An additional Rs 70.0 Cr order has been received in the current financial year. The job is slated for completion in Sept 2026. On the C&I

package, supplies are happening in full swing and ~ 51.54% of the contract value of INR 247.24Cr have been delivered. Balance items are scheduled to be delivered by 31.03.2027.

We have completed the execution of Main Plant Electrical Systems Package Kakrapar Atomic Power Project (KAPP) 3 & 4 for Nuclear Power Corporation of India Limited. Final order value is Rs.276.92 crores including GST. The plant has been taken over by the customer and operational acceptance issued.

We are executing Main Plant Electrical Systems Package at NPCIL's Rawatbatta Atomic Power Project (RAPP) Unit 7 & 8. Unit # 7 is completed and Operational acceptance obtained. Unit # 8 works are under progress. Total order value is 270.45 cr, out of which 98.5 % works are completed. Project is scheduled for completion by March 2026.

We are executing the 220kV Switchyard Extension project at Tarapur Maharashtra Site. The total order value is ~ Rs 90.0 Cr. More than 94% works are completed. Pre-commissioning works are under progress for completion in September 2025.

At the 2 x 600 MW, NTPC's TANDA Thermal Power Plant Stage – II, we are executing the Electrical Equipment Supply & Erection Package. Both unit # 1 and 2 are commissioned and operational. Balance Installation and Commissioning of Electrical auxiliaries are under progress. More than 96% of the job is completed.

Manufacturing Business (Product Business Division)

The Company's Manufacturing Business continued to operate in a challenging business environment during FY 2025-26. Lower order inflows in the conventional thermal power sector and the Company's constrained working capital position impacted manufacturing activity and capacity utilisation during the year.

Despite these challenges, the Manufacturing Division successfully completed 23 product supply and spares orders during the year for customers across the power, oil & gas, petrochemical and process industries, including both domestic and international markets. The completed orders primarily comprised air cooler spares, finned tubes, tube bundles, fan blades, shafts, gaskets and other critical engineering components, demonstrating the Division's continued technical capabilities and execution strength.

The Company continued to focus on efficient utilisation of available resources, cost optimisation and timely execution of customer commitments. The Manufacturing Division possesses established capabilities in designing and manufacturing equipment catering to the power, oil & gas, process and infrastructure sectors. The Company remains committed to enhancing operational efficiency, improving productivity and expanding its presence in niche engineering products with higher value addition.

NEW ENGINEERING SERVICES BUSINESS

As part of its business diversification and revival strategy, the Company has expanded its presence in the Engineering Services business by leveraging its extensive engineering expertise and decades of experience in executing complex power and infrastructure projects.

During the financial year, the Company secured engineering services assignments from international customers, marking an important step towards expanding its presence in the global engineering services market. These assignments encompass engineering design, detailed engineering, technical documentation and project engineering support for power sector projects and demonstrate the continued confidence of international customers in the Company's engineering capabilities.

The Engineering Services business operates on an asset-light model with relatively lower capital requirements compared to conventional EPC projects and enables the Company to utilise its experienced engineering workforce and technical expertise more effectively. This business vertical is expected to complement the Company's core EPC operations by generating stable service-based revenue streams, improving operational flexibility and enhancing business diversification.

The Company intends to further strengthen this business by expanding its engineering capabilities, adopting advanced digital engineering tools and exploring additional opportunities in domestic and international markets. The management believes that the Engineering Services business will emerge as an important contributor to the Company's long-term growth strategy and support sustainable value creation.

STRENGTH AND OPPORTUNITIES

Looking into Future and Strategic Business Shift

In the backdrop of challenges in thermal power sector in India and global markets as well, your Company initiated number of strategic initiatives. The Company identified critical need for shift from current business segments and identified some sectors as key drivers for growth in the medium term and diversify into adjacent business sectors to in which public and private investments. The company's proven and successful track record and competencies could be leveraged for growth in these emerging industrial, core and infrastructure sectors. These segments include: (i) Water and water treatment solutions (ii) Electricity Transmission & Distribution (iii) Transport infrastructure viz., Metro, Railways and Highways (iv) Civil construction; (v) Project exports and (vi) Oil & Gas and manufacture of equipment and systems for Indian industry and international markets (vii) Engineering Services. The Company would continue as a significant market player in thermal generation sector, being selective in order booking and would leverage its competencies in focusing and seeking orders from Nuclear power projects and power transmission activities. In capital goods / manufacturing businesses, the Company has taken measures to expand the geographical market reach in international markets by identifying key opportunities for expanding the product portfolio.

Financial Performance (standalone)

Description	Unit	FY 25-26	FY 24-25	% Change
Income from operations	Rs. Crores	300	451	-151.31
EBIDTA	Rs. Crores	-443.62	-364.00	-79.62
EBIDTA	%	-148.03%	-80.71%	-67%
PBT	Rs. Crores	-1279.82	-976	-303.82
PAT	Rs. Crores	-1279.82	-981	-298.82
Networth	Rs. Crores	-2599.88	-1321.08	-1,278.80
PBT Ratio	%	-427%	-214.3%	-213%
PAT Ratio	%	-427%	-214.30%	-213%
Return on networth	%	-49.23%	-74.26%	25%
Employee cost to Turnover	%	17.76%	10.41%	7%
Overheads cost to Turnover	%	69.64%	75.26%	-6%
Interest Cost to Turnover	%	275.37%	132.94%	142%
Debtors Turnover(Excluding Retention)	Days	483	401	82.38
Inventory Turnover	Days	6	9	-2.87
Interest coverage ratio	Times	-0.70	-0.94	0.24
Current Ratio	Times	1.57	0.75	0.82
Debt equity ratio	Times	(1.74)	(2.63)	0.89

DETAILS OF ANY CHANGE IN RETURN ON NET WORTH AS COMPARED TO THE PREVIOUS FINANCIAL YEAR

During the financial year under review, the Company's net worth further deteriorated from a negative net worth of Rs. 1,321 crores as at 31 March 2025 to a negative net worth of Rs. 2,599 crores as at 31 March 2026. The deterioration was on account of reduction in turnover and increased operating costs.

INTERNAL CONTROL SYSTEMS AND AUDIT

As part of the audit system, the company has an in-house system to evaluate and implement strategies for efficient control systems. Experienced external firm of auditors carries out internal audit. The detailed audit plan is well documented and audit scope is reviewed every year to include key processes that need improvements and address new compliance requirements. The detailed audit plan approved by the Audit Committee is rolled out at the beginning of each year. In addition, all payments to vendors are subjected to pre-audit by an external audit team. The statutory auditors carry out the required audit and compliance checks and review the control systems. The Chairman of Audit committee, key project personnel and the finance team review the audit reports of the internal auditors, pre auditors and in-house auditors in detail every quarter and a time bound action plan is initiated to address the key audit issues that need improvement and resolution. A summary of key audit observations, action taken to fix the gaps and the

status is reviewed by the Audit Committee members in the quarterly audit committee meeting. The present internal control and audit systems are adequate. Cost audit also is being done and the reports are filed to Government, as stipulated.

RISK MANAGEMENT

The business of the Company encompasses design at office, manufacturing at factories and project sites, civil and mechanical construction, erection, and commissioning of equipment's / packages. The company has a well-documented Standard Operating Systems and Procedures (SOSP). The SOSP mandates concerned officers of the company to review, identify and take timely steps to manage these risks on an ongoing basis. Delegation of Authority is reviewed each year to ensure that adequate controls are in place and required flexibility is available for effective operations at work site and that the commitments made to customers and vendors are met on time. Periodic review of procedural checks and balances are undertaken with a view to improve operational controls and productivity matrix. An experienced team of contract specialists in the Company review all contractual documents with the customers and the vendors in detail to ensure that all risks associated with the terms of contract are fully understood, documented, and reviewed for ensuring effective implementation of the contracts.

HUMAN RESOURCE DEVELOPMENT

The Company continued to focus on retaining critical talent and strengthening employee engagement despite the challenging business environment. Various initiatives were undertaken to retain key technical and managerial personnel, enhance employee capabilities and maintain operational continuity. Recognising the importance of a skilled and committed workforce, the Company identified critical manpower across its business functions and implemented appropriate retention and recognition measures to motivate and reward key employees.

The Company remains committed to fostering a performance-driven work culture by encouraging continuous learning, capability development and employee engagement, thereby strengthening organisational resilience and supporting long-term business objectives.

During the financial year 2025-26, 8 employees completed more than 20 years of dedicated service with the Company. In recognition of their valuable contributions and long-standing commitment, these employees were honoured with Long Service Awards during the Founder's Day celebrations.

ENVIRONMENT, HEALTH AND SAFETY (EHS)

The Company treats EHS as its core need to carry on and grow the business on a sustained basis. The Company has adopted a structured approach towards implementation of EHS policy and plans to integrate EHS with critical operating processes to continually improve the environment in which the Company operates as well as the safety and health of all employees, workmen, general public and the society. The Company established EHS structure for developing, implementing, and improving EHS Management Systems. These systems are designed to imbibe and enhance safety culture and to mitigate high potential risks among the employees and contractors through

appropriate intervention and guidance.

The Company took up many EHS initiatives viz., monitoring and control of air, noise and water pollution, fitness of all employee's premedical screening, regular health awareness camps, blood donation, safety orientation to all new employees and contractors' men before engaging at work, hazard identification and risk assessment for all critical activities, safety evaluation of contractors and adoption of EHS code of Practices by contractor, enhancement of behavior based safety programs, on spot motivation to safety conscious workers and recognition of creditable EHS performance. The EHS team strived to keep up good health of employees at offices, works and sites by strictly following the Standard Operating Procedures and guidelines issued by various Government and health authorities.

ANNEXURE -2

Form AOC-1

(Pursuant to the first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

The statement containing salient features of the Financial Statement of Subsidiaries or Associate Companies or Joint Ventures.

PART-A-Subsidiaries

SL.NO	1	2	3
Name of the Subsidiary	BGR Boilers Private Limited (Subsidiary)	BGR Turbines Company Private Limited (Subsidiary)	Sravanaa Properties Limited (Wholly Owned Subsidiary)
Country	India	India	India
The date since when subsidiary was acquired	23/01/2009	23/01/2009	02/11/2012
Reporting period for the subsidiary concerned	FY 25-26	FY 25-26	FY 25-26
Reporting currency	INR	INR	INR
Share capital	1,35,58,40,000	1,84,00,44,000	16,50,000
Reserves & surplus	(3,84,21,48,603)	(61,47,61,634)	NIL
Total assets	4,69,85,28,544	3,56,90,05,365	1309324139
Total Liabilities	4,69,85,28,544	3,56,90,05,365	1309324139
Investments	NIL	NIL	NIL
Turnover	NIL	13,00,200	NIL
Profit/(loss) before taxation	(12,76,39,113)	97,74,401	(1701555)
Provision for taxation	NIL	NIL	NIL
Profit/(loss) after taxation	(12,76,39,113)	97,74,401	(1701555)
Proposed Dividend	NIL	NIL	NIL
% of shareholding	70%	74%	100%

Part B – Associates and Joint Ventures

	Name of Associates / Joint Ventures (JV)	Mecon-Gea Energy System (India) Ltd- (JV)
	Latest audited Balance Sheet Date	March 31 st 2026
	Shares of Associate/Joint Ventures held by the company on the year end – No. of Shares	NIL
	Amount of Investment in Associates/Joint Venture	NIL
	Extent of Holding %	10% & 30% on two different construction Projects
	Description of how the investment is accounted	NA
	Whether Associate / JV is under the same management	Yes
	Net worth attributable to shareholding as per latest audited Balance Sheet	-
	Profit / Loss for the year (Considered in Consolidation / Not Considered in Consolidation)	Rs.(0.21) lakhs

**By order of the Board of Directors
FOR BGR ENERGY SYSTEMS LIMITED**

**For Anand & Ponnappan
Chartered Accountants
Firm Registration No.000111S**

**Arjun Govind Raghupathy
Managing Director
DIN: 02700864**

**B Hariharan
Partner
Membership No.207896**

**Ganesan Jeyakrishna
Director
DIN: 03208035**

**S. Sundar
Chief Financial Officer
Company Secretary & Compliance officer**

**Date: 25-05-2026
Place: Chennai**

ANNEXURE -2
Form No. AOC-2
(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto during the financial year 2025-26.

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2026 which were not at arm's length basis.

1. Details of material contracts or arrangement or transactions at arm's length basis:

(i)

SL.NO	PARTICULARS	DETAILS
a)	Name(s) of the related party and nature of relationship	Sravanaa Properties Limited -Subsidiary
b)	Nature of contracts/arrangements/transactions	Rental Expenses
c)	Duration of the contracts/ arrangements/ transactions	1 April 2025 – 31 March 2026
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rental Expenses - Rs.18 Lakhs
e)	Justification for entering into such contracts or arrangements or transactions	The rent is charged at prevailing market rates, as substantiated by independent market data.
f)	Date(s) of approval by the Board/Audit committee	28.05.2025
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	-

(ii)

SL.NO	PARTICULARS	DETAILS
a)	Name(s) of the related party and nature of relationship	Other Company -Ani Constructions Private Limited
b)	Nature of contracts/arrangements/transactions	Rental Expenses
c)	Duration of the contracts/ arrangements/ transactions	1 April 2025 – 31 March 2026
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rental Expenses - Rs.1.80 Lakhs
e)	Justification for entering into such contracts or arrangements or transactions	The rent is charged at prevailing market rates, as substantiated by independent market data.
f)	Date(s) of approval by the Board/ Audit committee	28.05.2025
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	-

(iii)

SL.NO	PARTICULARS	DETAILS
a)	Name(s) of the related party and nature of relationship	Other Company -GEA BGR Energy Systems India Limited
b)	Nature of contracts/arrangements/transactions	Rental Expenses
c)	Duration of the contracts/ arrangements/ transactions	1 April 2025 – 31 July 2025
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rental Expenses - Rs.0.20 Lakhs
e)	Justification for entering into such contracts or arrangements or transactions	The rent is charged at prevailing market rates, as substantiated by independent market data.
f)	Date(s) of approval by the Board/ Audit committee	28.05.2025
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	-

(iv)

SL.NO	PARTICULARS	DETAILS
a)	Name(s) of the related party and nature of relationship	Other Company -Sasikala Estate Private Limited
b)	Nature of contracts/arrangements/transactions	Rental Expenses
c)	Duration of the contracts/ arrangements/ transactions	1 April 2025 – 31 March 2026
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rental Expenses - Rs.36 Lakhs
e)	Justification for entering into such contracts or arrangements or transactions	The rent is charged at prevailing market rates, as substantiated by independent market data.
f)	Date(s) of approval by the Board/ Audit committee	28.05.2025
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	-

(v)

SL.NO	PARTICULARS	DETAILS
a)	Name(s) of the related party and nature of relationship	Other Company -Pragati Computers Limited
b)	Nature of contracts/arrangements/transactions	Rental Expenses
c)	Duration of the contracts/ arrangements/ transactions	1 April 2025 – 31 March 2026
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Rental Expenses - Rs.30 Lakhs
e)	Justification for entering into such contracts or arrangements or transactions	The rent is charged at prevailing market rates, as substantiated by independent market data.
f)	Date(s) of approval by the Board/ Audit committee	28.05.2025
g)	Amount paid as advances, if any	-
h)	Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	-

**FOR AND BEHALF OF THE BOARD
BGR ENERGY SYSTEMS LIMITED**

Arjun Govind Raghupathy
Managing Director
DIN: 02700864

Ganesan Jeyakrishna
Director
DIN:03208035

S. Sundar
Chief Financial Officer
Company Secretary & Compliance officer

DATE: 29-07-2026
PLACE: CHENNAI



S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2026

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014] and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

To,
The Members,
M/s. BGR ENERGY SYSTEMS LIMITED.

I have conducted the Secretarial Audit of the Compliances with regards to applicable statutory provisions and the adherence to good corporate practices followed by **M/s. BGR ENERGY SYSTEMS LIMITED** (hereinafter called "**the Company**") bearing Corporate Identification Number (CIN) L40106AP1985PLC005318. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of **M/s. BGR Energy Systems Limited** 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, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on **31st March 2026**, 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records made available to me and maintained by the Company for the financial year ended on **31st March 2026** ("Review period") according to the applicable provisions of:
 - (i) The Companies Act, 2013 (the Act) and the Rules and the Regulations made there under;
 - (ii) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by The Institute of Company Secretaries of India;
 - (iii) The Securities Contract (Regulation) Act, 1956 and the Rules made thereunder
 - (iv) The Depositories Act, 1996 and the Regulations bye-laws framed thereunder;
 - (v) Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of Export and import of goods;
 - (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR");
 - b. Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI SAST");



S SATHEESH KUMAR & ASSOCIATES

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- c. Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d. Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
 - e. Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 and The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 2025 regarding the Companies Act and dealing with client; (Not applicable to the Company during the audit period)
 - f. Securities and Exchange Board of India (Investor Protection and Education Fund) Regulations, 2009
 - g. Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018; (Not applicable during the financial year)
 - h. Securities Exchange Board of India (Issue and Listing of Non- Convertible Securities) Regulations, 2021; (Not applicable during the financial year)
 - i. Securities Exchange Board of India (Delisting of Equity Shares) Regulation, 2009 (Not applicable during the financial year)
 - j. Securities Exchange Board of India (Buyback of Securities) Regulation, 2018; (Not applicable during the financial year)
 - k. Securities and Exchange Board of India (Settlement Proceedings) Regulations, 2018 and circulars/ guidelines issued thereunder; (Not applicable during the financial year) and
 - l. The Securities and Exchange Board of India (Share Based employee Benefits and Sweat Equity) Regulations, 2021; (Not applicable during the financial year)
- (vii) The management has identified and confirmed that the other laws as specifically applicable to the Company and it has proper system to comply with the applicable provisions of the respective Acts, Rules and Regulations;
- 1.2 During the period under review, and also after considering the compliance related action taken by the Company after March 31, 2026 but before issue of this report, the Company has, to the best of my knowledge and belief and based on the records, information, explanations and representations furnished to me complied with the laws mentioned in paragraph 1 above, except as stated below:

A. Corporate Governance & Financial Consolidation Lapses

1. **Auditor Qualification Integration:** The Statutory Auditors of the Company issued a **Qualified Opinion** on the Audited Consolidated Financial Results for the year ended March 31, 2026. The consolidation was based entirely on the **un-audited, management-certified provisional financials** of its material subsidiaries, namely **BGR Boilers Private Limited** and **BGR Turbines Company Private Limited**, meaning the true impact of final audit adjustments remains unverified.



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2. **Delay in Uploading Subsidiary Financial Statements:** The Company has not complied with the provisions of Section 136 of the Companies Act, 2013 read with Regulation 46(2)(s) of the SEBI (LODR) Regulations, 2015, as the separate audited financial statements of BGR Boilers Private Limited and BGR Turbines Company Private Limited for the financial year 2024-25 were uploaded on the Company's website only in June 2026 instead of being made available at least twenty-one days prior to the Annual General Meeting held on 26th September 2025.
3. **Subsidiary Board Minutes:** The minutes of the Board meetings of the unlisted subsidiaries were not placed before the Board of Directors of the holding Company during the reporting period, as mandated by Regulation 24(3) of SEBI LODR.
4. **Independent Directors on Subsidiary Boards:** The Company failed to appoint Independent Directors onto the Boards of its material unlisted subsidiaries (**BGR Boilers Private Limited, BGR Turbines Company Private Limited, and Sravanaa Properties Limited**) in compliance with Regulation 24 of SEBI LODR.

B. Commercial & Operational Non-Compliances

5. **MSME Outstanding Delays:** Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the Company delayed payments to micro and small vendor partners. As of March 31, 2026, a total principal balance of **Rs.11,210/- lakhs** remains overdue, carrying an un-cleared compound interest liability of **Rs. 5,952/- lakhs**.
6. **Lapses in Charge Satisfaction Registry:** In non-compliance with the timelines under Chapter VI of the Act, the Company has failed to register the satisfaction of closed or resolved corporate bank charges with the Registrar of Companies (ROC). Total pending charge satisfactions stand at **Rs. 5,484/- lakhs** across lenders including State Bank of India, Axis Bank, ABN Amro Bank, HDFC Bank, and ICICI Bank.
7. **CSR Statutory Shortfall:** The Company continues to operate in persistent default of Section 135 of the Act, holding an accumulated historical shortfall of unspent and un-transferred Corporate Social Responsibility (CSR) funds totalling **Rs.1,301/- lakhs** up to the financial year 2019-20, which remains outstanding as of 31st March 2026.

C. Market Regulations Enforcement Actions

8. **NSE & BSE Penalties:** The Stock Exchanges imposed an aggregate penalty of **Rs. 1,06,200/-** on the Company for delays in the timely submission of its Consolidated Review Report. Cautionary emails were also issued for delays in notifying the proceedings of the Annual General Meeting held on August 9, 2024.
9. **SEBI Regulatory Warnings:** SEBI issued an administrative warning letter to the Company for failing to hold any Stakeholders Relationship Committee (SRC) meetings during the financial year 2023-24.
10. The Company has delayed in submission of disclosure by 2 days with Stock Exchanges under regulation 30 read with Schedule III of the SEBI (LODR) Regulations, 2015, in respect of the cautionary email received from NSE dated 01st April 2025. The disclosure was subsequently submitted on 03rd April 2025.



2. Board Processes:

I further report that:

2.1 The Board of Directors of the Company is duly constituted with optimum combination of Executive Directors, Non-Executive Directors, Independent Directors and Women Directors during the Financial Year 2025-26. The changes in the composition of the Board of Directors that took place during the Audit Period under review were carried out in compliance with the provisions of the Act.

2.2 Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent in advance 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.

2.3 The Company had convened its meetings physically in compliance with requirements of the Act.

2.4 The minutes of the meetings of the Board and its Committees were duly recorded and signed by the respective Chairman, and the decisions and views of the Board have been accurately captured.

3. Compliance mechanism:

I further report that:

3.1 There are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliance with applicable laws including labour laws, competition law, and other laws specifically applicable to the Company.

3.2 The compliance by the Company of applicable finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.

4. Specific Events/ Actions:

I report that during the audit period the following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. took place:

4.1 Material Uncertainty to Going Concern & Debt Assignment to NARCL

The Group exhibits deep financial distress, recording a Standalone Net Loss of Rs.1,27,982/- lakhs and a Consolidated Net Loss of Rs. 1,29,172/- lakhs for the year ended March 31, 2026. The Standalone Net Worth has completely eroded to a negative balance of Rs. 2,59,988/- lakhs.

Compelled by persistent defaults, a consortium of 9 Public Sector Banks assigned the entirety of their outstanding fund-based Non-Performing Asset (NPA) debt dues down to the National Assets Reconstruction Company Limited (NARCL) under the SARFAESI Act, 2002 on September 29, 2025. Promoters have infused un-secured loans up to Rs. 43,318/- lakhs to sustain minimal contract executions.



4.2 Insolvency Litigation Under the IBC

Due to severe operational defaults, a petition was filed under the Insolvency and Bankruptcy Code (IBC) before the National Company Law Tribunal (NCLT). The Honourable NCLT passed an order admitting the Company into Corporate Insolvency Resolution Process (CIRP) and appointing an Interim Resolution Professional (IRP) on 17.04.2026. The execution of this order was subsequently stayed by the National Company Law Appellate Tribunal (NCLAT) on 30.04.2026, reinstating current operational control back to the Board.

4.3 Revocation of Capital Restructuring

An expansion of Authorised Share Capital from Rs. 100/- crores to Rs. 1700/- crores approved by members on 09.08.2024 was revoked and rolled back via a special resolution passed at the Annual General Meeting on 26.09.2025. The proposed capital infusion via a Rights Issue was abandoned and dropped.

4.4 Structural Reconstitutions

The Board of Directors based on the recommendations of Nomination and Remuneration Committee held on March 29, 2025 approved the appointment of Ms. Narmadha Dinakaran (DIN: 01777888); The same was approved by the shareholders by way of special resolution vide Postal ballot dated May 11, 2025. The reappointment of Mr. Krishnamoorthi Meyyanathan, (DIN: 07845698); Mr. Surilishubbu Vasudevan, (DIN:10388399) as a Non-Executive Independent Directors for a second term of 5 consecutive years. The same was approved by the shareholders by way of special resolution vide Postal ballot dated May 11, 2025.

Due to resignation of Mr. Sadasivam Deivanayagam on 29th March 2025, Mr. Krishnamoorthi Meyyanathan became chairperson of the Audit committee on reconstitution.

Due to resignation of Mr. Sadasivam Deivanayagam on 29th March 2025, Mr. Krishnamoorthi Meyyanathan became chairperson of the Nomination Remuneration committee on reconstitution.

Due to resignation of Mr. Sadasivam Deivanayagam on 29th March 2025, Mr. Krishnamoorthi Meyyanathan became chairperson of the stakeholder's relationship committee on reconstitution.

4.5 Shift of Corporate Base & Registered Location

Registered Office Shift: Effective from 01.09.2025, the registered location moved from Plot No. A5 to Plot No. E4 within the Pannamgadu Industrial Estate, Ramapuram Post, Sullurpet, Nellore District, Andhra Pradesh.

Books Maintenance Location: The Board approved structural record maintenance to be centered at the Corporate Office located at No. 443, Guna Complex, Anna Salai, Teynampet, Chennai – 600018.



S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

4.6 Re-designation of CFO

Mr. S. Pattabiraman, Chief Financial Officer (CFO) and Key Managerial Personnel (KMP), has been re-designated as Vice President – Accounts with effect from September 1, 2025 and will step down from the position of CFO with effect from 31st August 2025.

4.7 Appointment of CFO

Mr. S. Sundar, Company Secretary and Compliance Officer of the Company appointed as CFO in addition to his existing role with effect from 01st September 2025.

4.8 Appointment of Secretarial Auditor

M/s. S. Satheesh Kumar & Associates, Practicing Company Secretaries (Peer Review certificate No:3335/2023) has been appointed as the Secretarial Auditor of the Company for a term of 5 (five) years i.e., from the financial year 2025-26 till the conclusion of FY 2029 – 30 at the Board meeting held on 14th August 2025 and subsequently appointed in the AGM held on 26th September 2025.

4.9 Ratification of Cost Auditor Remuneration's at the AGM

M/s. JV Associates, Cost and Management Accountants (Firm Registration No. 100212), who are appointed by the Board of Directors of the Company as Cost Auditors, to conduct the audit of the cost records maintained by the Company for the financial year ending March 31, 2026 and remuneration of Rs.1,50,000/- (Rupees One Lakh Fifty Thousand only) plus applicable taxes and reimbursement of out-of-pocket expenses, ratified in AGM held on 26th September 2025 by shareholders of the Company.

4.10 Re-appointment of Director

Mr. Ganesan Jeyakrishna (DIN: 03208035) was re-appointed as a director liable to retire by rotation at the Annual General Meeting of the Company held on 26 September 2025.

4.11 Appointment of Internal Auditor of the Company.

The Board at its meeting held on 28th May 2025 approved the Appointment of R Bupathy & Co Chartered Accountant, as the Internal Auditor of the Company for the Financial Year 2025-2026

4.12 The company has received 'termination of contract' letter from Tamil Nadu Power Generation Corporation Ltd (TNGCPL) (erstwhile TANGEDCO). This is with respect to establishment of 1 x 800 MW North Chennai Super Critical Thermal Power Project, Stage III – Balance of Plant (BOP) package along with allied civil works EPC contract of value Rs 2600.02 Crores.



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4.13 Gift of Shares by Promoter

During the financial year, Mr. Arjun Govind Raghupathy, Promoter of the Company, executed a gift deed dated 4th December 2025 in favour of his mother, Mrs. Sasikala Raghupathy, also a Promoter of the Company, for the transfer of 0.00291% shareholding in the Company.

4.14 The Company has received demand orders under the CGST and GST Acts, including an order modifying an earlier demand order and an adjudication order issued under the TNGST Act.

4.15 Tamil Nadu Transmission Corporation Limited terminated the EPC contract awarded to the Company on the grounds of alleged delay and non-completion of the project within the stipulated timelines.

4.16 The Board of Directors, at its meeting held on 25th May 2026, approved the appointment of M/s. R. Bupathy & Co., Chartered Accountants, as Internal Auditors and M/s. J.V. Associates, Cost & Management Accountants, as Cost Auditors of the Company for the financial year 2026-27. The Board also approved the increase in the authorised share capital of the Company and the consequential alteration of the Capital Clause of the Memorandum of Association, subject to shareholders' approval through postal ballot. Further, the Board constituted a Rights Issue Committee in connection with the rights issue proposed to be undertaken by the Company in future.

4.17 The shareholders of the Company, through postal ballot on 06th July 2026, approved the increase in the authorised share capital of the Company from Rs. 100,00,00,000/- (Rupees One Hundred Crores only) to Rs. 200,00,00,000/- (Rupees Two Hundred Crores only) and the consequent alteration to the Capital Clause of the Memorandum of Association.

For S Satheesh Kumar & Associates

Date: 29/07/2026

Place: Chennai

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Date: 2026.07.29
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S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN A059469H000968663



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

Annexure

(To the Secretarial Audit Report of BGR Energy Systems Limited for the financial year ended March 31, 2026)

To,
The Members,
M/s. BGR Energy Systems Limited.

My Secretarial Audit Report for the financial year ended March 31, 2026 is to be read along with this Annexure.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned as above, except as stated below:

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process 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. I believe that the process and practices, I have followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, I 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. My examination was limited to the verification of procedure 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.
7. I have also issued an Annual Secretarial Compliance Report under Regulation 24A of SEBI LODR which will be available on the website of the Stock Exchanges in which the company securities is listed.

For S Satheesh Kumar & Associates

Date: 29/07/2026
Place: Chennai

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S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN A059469H000968663



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

FORM MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026
[Pursuant to Regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 – The Company being a Material Unlisted Subsidiary of
M/s. BGR Energy Systems Limited]

To,
The Members,
BGR BOILERS PRIVATE LIMITED
No. 443, Anna Salai, Teynampet,
Chennai, Tamil Nadu, 600018

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BGR BOILERS PRIVATE LIMITED (hereinafter called “the Company”) [Corporate Identification Number: U74200TN2009PTC070539] for the financial year ended 31st March, 2026 (“Review Period”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that, in my opinion, the Company has, during the audit period for the financial year ended 31st March, 2026, complied with the statutory provisions listed hereunder except to the extent of the observations and qualifications mentioned in this Report and also that the Company has proper Board compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- 1.1 I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2026 according to the provisions of:
- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) Secretarial Standards (SS-1) on Meetings of the Board of Directors and Secretarial Standards (SS-2) on General Meetings issued by the Institute of Company Secretaries of India.
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
 - (v) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- 1.2 In relation to the period under review, the Company has, to the best of my knowledge and belief and based on the records, information, explanations and representations furnished to me, complied with the laws mentioned in Clause (i) to (v) of Paragraph 1.1 above, except for the following observations/qualifications:



S SATHEESH KUMAR & ASSOCIATES

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a) Appointment of Woman & Independent Director (Sec. 149), Internal Auditor (Sec. 138) & Key Managerial Personnel (Sec. 203), Annual Performance Evaluation (Sec 134(3)(p)) & Constitution of Audit & Nomination and Remuneration Committee (Sec. 177 & 178) and Framing of Vigil Mechanism Policy (Sec 177(9) & (10)).

b) Company has conducted the 15th AGM for the financial year 2023-24 on 19th December 2025 after the due date. The 16th AGM for the Financial Year 2024-25 held on 29th May 2026 after the due date.

c) The Company had not complied with the provisions of Rule 9A of the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, as amended, during the audit period, as 9,49,00,000 equity shares of Rs.10/- each, constituting 69.9935% of the issued share capital of the Company, remained in physical form as at 31st March 2026. However, the Company has completed the dematerialisation of the said shares as on the date of this Report.

(d) Non-compliance under Section 177 and 188 (Unapproved Related Party Transactions & Advances): The Company has accepted unsecured customer advances and maintained trade payables aggregating to Rs. 5,47,92,83,679/- (Rupees Five Hundred and Forty Seven Crores Ninety Two Lakhs Eighty Three Thousand Six Hundred and Seventy Nine) from related parties without obtaining the requisite approvals from the Audit Committee and the Board of Directors, resulting in non-compliance with the provisions of Sections 177 and 188 of the Companies Act, 2013.

(e) Non-compliance under the Foreign Exchange Management Act (FEMA), 1999 - The Company has failed to settle its long-outstanding foreign currency trade payables or obtain the requisite approvals/extensions from the AD Bank/RBI, resulting in a foreign exchange loss of Rs. 4,33,88,669/- (Rupees Four Crores Thirty-Three Lakhs Eighty-Eight Thousand Six Hundred and Sixty-Nine) as on 31 March 2026, in contravention of FEMA, 1999 and the rules made thereunder.

- 1.3 I am informed that, during/ in respect of the year no events have occurred which required the Company to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minutes books or other records or file any forms/ returns under the Securities and Exchange Board of India Act, 1992 and the Rules and Regulations made thereunder.

2. COMPLIANCE MECHANISM

I further report that:

- 2.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws including labour laws and environmental laws applicable to the Company, subject to the observations and qualifications contained in this Report.
- 2.2 The compliance by the Company of applicable finance laws such as Direct Tax and Indirect Tax laws has not been reviewed in this Audit since the same have been subject to review by Statutory Auditors and other designated professionals.



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

3. SPECIFIC EVENTS / ACTIONS

I further report that during the audit period the following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines and Standards took place:

- 3.1 During the period under review, the Company conducted an Extra-ordinary General Meeting at shorter notice, on 24th July, 2025 for appointment of M/s. V. Narayanan & Co., Chartered Accountants (Firm Registration No. 0023985) as Statutory Auditors of the Company for the Financial Year 2023-2024 and the shareholders approved the same by passing an Ordinary Resolution.
- 3.2 During the period under review, the Company conducted its Annual General Meeting at shorter notice, on 19th December, 2025 for the Financial Year 2023-24 for approval of the Financial Statements, appointment of M/s. V. Narayanan & Co., Chartered Accountants (Firm Registration No. 0023985) as Statutory Auditors of the Company for a period of Five financial years from 2024-25 to 2028-29 and reappointment of Mr. Ram Naresh Singh Tomar (Din: 08784935) as a Director of the Company. Subsequent to financial year, the Company conducted its 16th Annual General Meeting on 29th May 2026 for the financial year 2024-25.
- 3.3 Company has appointed S Satheesh Kumar & Associates, Practicing Company Secretaries, (Peer Review Certificate No.3335/2023) as the Secretarial Auditor of the Company for the financial year 2025-26 at a Board meeting held on 27th March 2026.
- 3.4 Severe Capital Erosion & Financial Distress (Going Concern):

The Company's Provisional and Unaudited Financial Statements for the period ended March 31, 2026, confirm that Revenue from Operations has dropped to Rs. 0.00, resulting in a severe Net Loss of Rs. 12,76,39,113/- for the year. The accumulated erosion of the Company's net worth has escalated drastically, with total Other Equity standing at a deficit of Rs. (3,84,04,87,702/-) and Total Equity at a negative balance of Rs. (2,48,46,47,702/-). These factors, combined with total current liabilities of Rs. 654,42,73,290/- heavily outstripping total current assets of Rs. 150,47,13,072/-, definitively confirm an acute material uncertainty, that casts a definitive and critical doubt on the Company's ability to continue as a going concern.

For S Satheesh Kumar & Associates

Place: Chennai
Date: 05-08-2026

SATHEESH KUMAR S Digitally signed by
SATHEESH KUMAR S
Date: 2026.08.06
16:13:57 +05'30'

S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN: A059469H001024037

This report is to be read with my letter of even date which is annexed as Annexure -1 and forms an integral part of this report.



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

Annexure -1

To,
The Members,
BGR BOILERS PRIVATE LIMITED
No. 443, Anna Salai, Teynampet,
Chennai, Tamil Nadu, 600018

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. My 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 S Satheesh Kumar & Associates

**SATHEESH
KUMAR S** Digitally signed by
SATHEESH KUMAR S
Date: 2026.08.06
16:14:21 +05'30'

Place: Chennai
Date: 05-08-2026

S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN: A059469H001024037



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

FORM MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026
[Pursuant to Regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements)
Regulations, 2015 – The Company being a Material Unlisted Subsidiary of M/s. BGR Energy Systems
Limited]

To,
The Members,
BGR TURBINES COMPANY PRIVATE LIMITED
No. 443, Anna Salai, Teynampet, Chennai,
Tamil Nadu, India – 600018

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by BGR TURBINES COMPANY PRIVATE LIMITED (hereinafter called "the Company") [Corporate Identification Number: U40300TN2009PTC070541] for the financial year ended 31st March, 2026 ("Review Period"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that, in my opinion, the Company has, during the audit period for the financial year ended 31st March, 2026, complied with the statutory provisions listed hereunder except to the extent of the observations and qualifications mentioned in this Report and also that the Company has proper Board compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- 1.1 I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2026 according to the provisions of:
- (i) The Companies Act, 2013 ("the Act") and the Rules made thereunder;
 - (ii) Secretarial Standards (SS-1) on Meetings of the Board of Directors and Secretarial Standards (SS-2) on General Meetings issued by the Institute of Company Secretaries of India.
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
 - (v) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 1.2 In relation to the period under review, the Company has, to the best of my knowledge and belief and based on the records, information, explanations and representations furnished to me, complied with the laws mentioned in Clause (i) to (v) of Paragraph 1.1 above, except for the following observations/qualifications:



S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

a) Appointment of Woman & Independent Director (Sec. 149), Internal Auditor (Sec. 138) & Key Managerial Personnel (Sec. 203), Annual Performance Evaluation (Sec 134(3)(p)) & Constitution of Audit & Nomination and Remuneration Committee (Sec. 177 & 178) and Framing of Vigil Mechanism Policy (Sec 177(9) & (10)).

b) The Company has conducted the 15th AGM for the financial year 2023-24 on 31st October 2025 after the due date. The 16th AGM for the Financial Year 2024-25 held on 28th May 2026 after the due date.

c) The Company has not complied with the provisions of Rule 9A of the Companies (Prospectus and Allotment of Securities) Third Amendment Rules, 2018, as amended, since 4,78,41,500 equity shares forming part of its issued share capital continue to remain in physical form as per Form PAS-6 filed with MCA for half year ended 30th Sep 2025 but has converted the same equity shares into demat for the half year ended 31st March 2026 as per the Form PAS-6 filed with MCA.

(d) Non-compliance under Foreign Exchange Management Act (FEMA), 1999:

The Company has significant foreign currency trade payables due to a related party for the import of goods that have remained outstanding for a period exceeding three years, accumulating to a total of Rs. 88,28,64,669 (Rupees Eighty-Eight Crores Twenty-Eight Lakhs Sixty-Four Thousand Six Hundred and Sixty-Nine) as of 31 March 2026.

The Company has failed to file the mandatory applications for an extension of the remittance time limit with its Authorized Dealer (AD) Banker or the Reserve Bank of India (RBI). This is an ongoing contravention of the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015, read with applicable RBI Master Directions on Imports.

- 1.3 I am informed that, during/ in respect of the year no events have occurred which required the Company to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minutes books or other records or file any forms/ returns under the Securities and Exchange Board of India Act, 1992 and the Rules and Regulations made thereunder.

2. COMPLIANCE MECHANISM

I further report that:

2.1 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws including labour laws and environmental laws applicable to the Company, subject to the observations and qualifications contained in this Report.

2.2 The compliance by the Company of applicable finance laws such as Direct Tax and Indirect Tax laws has not been reviewed in this Audit since the same have been subject to review by Statutory Auditors and other designated professionals.



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

3. SPECIFIC EVENTS / ACTIONS

I further report that during the audit period the following specific events/actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines and Standards took place:

3.1 During the period under review, the Company conducted its 15th Annual General Meeting on 31st October, 2025 for the Financial Year 2023-24 for approval of the Financial Statements and other ordinary businesses. Subsequent to financial year, the Company conducted its 16th Annual General Meeting on 28th May 2026 for the financial year 2024-25.

3.2 Ms. Niyati Lad resigned from the office of Company Secretary with effect from 31st December, 2025 and the Company filed the necessary e-form with the Registrar of Companies.

3.3 The Company's provisional financial statements for the financial year ended March 31, 2026, indicate an operational turnaround with a profit before tax of Rs.97.74/- Lakhs, driven by new manpower service income of Rs. 1.60/- Crores.

However, material uncertainty remains as the inter-corporate credit risk has escalated, with outstanding trade receivables from the Holding Company increasing to Rs.129.87/- Crores and related-party trade payables climbing to Rs. 88.28/- Crores without full statutory board constitution or independent review mechanisms in place.

3.4 The Company had appointed Mr. Sreedhar as Manager with effect from 30 September 2022 and duly filed Form DIR-12. However, due to a technical issue on the MCA portal, his details were not reflected in the KMP section of Form MGT-7 for FY 2023-24 filed with MCA on 21st January 2026. The issue has since been rectified, and his name is now correctly reflected on the MCA portal.

3.5 The Company has appointed S Satheesh Kumar & Associates, Practicing Company Secretaries, (Peer Review Certificate No.3335/2023) as the Secretarial Auditor of the Company for the financial year 2025-26 at a Board meeting held on 27th March 2026.

For S Satheesh Kumar & Associates

SATHEESH KUMAR S Digitally signed by
SATHEESH KUMAR S
Date: 2026.08.05
14:50:27 +05'30'

Place: Chennai

Date: 05-08-2026

S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN: A059469H001024213

This report is to be read with my letter of even date which is annexed as Annexure -1 and forms an integral part of this report.



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

Annexure -1

To,
The Members,
BGR TURBINES COMPANY PRIVATE LIMITED
No. 443, Anna Salai, Teynampet, Chennai,
Tamil Nadu, India – 600018

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. My 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 S Satheesh Kumar & Associates

**SATHEESH
KUMAR S**
Digitally signed
by SATHEESH
KUMAR S
Date: 2026.08.05
14:50:46 +05'30'

Place: Chennai
Date: 05-08-2026

S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN: A059469H001024213



S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

FORM MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2026

[Pursuant to Regulation 24A(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015
- The Company being a Material Unlisted Subsidiary of M/s. BGR Energy Systems Limited]

To,
The Members,
SRAVANAA PROPERTIES LIMITED
No.54, Bel-Army Road, Mount Poonamallee Salai,
Nandambakkam, Saidapet, Chennai - 600 089

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SRAVANAA PROPERTIES LIMITED (hereinafter called "the Company") [Corporate Identification Number: U70200TN2002PLC049497] for the financial year ended 31st March, 2026 ("Review period"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conduct/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period for the financial year ended 31st March, 2026 complied with the statutory provisions listed hereunder and also that the Company has proper Board compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

- 1.1 I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2026 according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
 - (ii) Secretarial Standards (SS-1) on "Meetings of the Board of Directors" and Secretarial Standards (SS-2) on "General Meetings" issued by the Institute of Company Secretaries of India;
 - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - (iv) The Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
 - (v) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;
- 1.2 In relation to the period under review, the Company has, to the best of my knowledge and belief and based on the records, information, explanations and representations furnished to me, complied with the laws mentioned in clause (i) to (v) of paragraph 1.1 above, subject to the following qualification:

The Company, being a material unlisted subsidiary of the listed entity M/s. BGR Energy Systems Limited, was required to have at least one Independent Director of the listed holding company on its Board of Directors pursuant to Regulation 24(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, I report that no such Independent Director was appointed to the Board of the Company during the Review Period."



S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

- 1.3. I am informed that, during/ in respect of the year no events have occurred which required the Company to comply with the following laws/ rules/ regulations and consequently was not required to maintain any books, papers, minutes books or other records or file any forms/ returns under the Securities and Exchange Board of India Act, 1992 and the Rules and Regulations made thereunder.

2. Compliance mechanism:

I further report that:

- 2.1 There are adequate systems and processes in the Company commensurate with its size and operation to monitor and ensure compliance with all applicable laws including labour laws and environmental laws applicable to the Company, subject to the observations and qualifications contained in this Report.
- 2.2 The compliance by the Company of applicable Finance laws like Direct and Indirect tax laws has not been reviewed in this audit since the same have been subject to review by Statutory Financial Audit and other designated professionals.

3. Specific Events/ actions:

I further report that during the audit period the following specific events/ actions having a major bearing on the Company's affairs in pursuance of the above referred Laws, Rules, Regulations, Guidelines, Standards, etc. took place:

- 3.1 **Shifting of Registered Office:** The Board of Directors of the Company in their meeting held on September 25, 2025 has approved for shifting the registered office of the Company from 443, Anna Salai Teynampet, Chennai, 600018, Tamil Nadu, India to No.54, Bel-Army Road, Mount Poonamallee Salai, Nandambakkam, Chennai-600089, Tamil Nadu, India with effect from 14th October 2025 such change being within the local limits of the same city.
- 3.2 **Assignment of Debt Exposure:** During the period under review, the consortium/member lenders of the Company assigned their outstanding debt exposure aggregating to ₹ 590 Crore to National Asset Reconstruction Company Limited (NARCL) pursuant to an Assignment Agreement dated 29 September 2025. Consequent to such assignment, the Company filed the requisite modification of charge with the Ministry of Corporate Affairs (MCA) in accordance with the applicable provisions of the Companies Act, 2013.



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

- 3.3 **Director Regularization:** The Shareholders ratified the regularization of Mr. Arjun Govind Raghupathy (DIN: 02700864) in their Annual general Meeting held on 25th September 2025.

Place: Chennai
Date: 05-08-2026

For S Satheesh Kumar & Associates

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Date: 2026.08.05
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S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN: A059469H001024391

This report is to be read with my letter of even date which is annexed as Annexure -1 and forms an integral part of this report.



S SATHEESH KUMAR & ASSOCIATES
Practicing Company Secretaries

Annexure -1

To,
The Members,
SRAVANAA PROPERTIES LIMITED
No.54, Bel-Army Road, Mount Poonamallee Salai,
Nandambakkam, Saidapet, Chennai - 600 089

My report of even date is to be read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as are appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records as per the Auditing Standards (CSAS-1 to CSAS-4) and Guidance Notes on ICSI Auditing Standards and Guidance Note on Secretarial Audit issued by The Institute of Company Secretaries of India. The verification was done to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company as well as correctness of the values and figures reported in various disclosures and returns as required to be filed by the company under the specified laws.
4. Where ever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. It is the responsibility of the management of the company to devise proper systems to ensure compliance with the provisions of Corporate and other applicable laws, rules, regulations, standards and to ensure that the systems are adequate and operate effectively. My 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 **S Satheesh Kumar & Associates**

SATHEESH KUMAR S Digitally signed by
SATHEESH KUMAR S
Date: 2026.08.05
14:51:35 +05'30'

Place: Chennai
Date: 05-08-2026

S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN: A059469H001024391

ANNEXURE-5**CORPORATE GOVERNANCE REPORT**

Pursuant to Regulation 34 read with Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") the report containing details of the Corporate Governance of the Company for the Financial Year 2025-2026 is as follows:

1) Brief Statement on Company's Philosophy on Code of Corporate Governance

In accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time on Corporate Governance, your Company is committed to practice high standards of corporate governance across all its business activities, processes and dealing with all stakeholders. The Board of Directors constantly endeavours to create an environment of fairness, equity and transparency in all its affairs. The Company's governance policy framework is designed to secure and enhance long term shareholder value, while respecting the rights and expectations of all other stakeholders viz., Customers, Vendors, Banks, Employees, Central and State Governments and the Society at large. The Company is in constant compliance with the requirements of the guidelines on corporate governance stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time.

2) BOARD OF DIRECTORS**(A) BOARD STRUCTURE**

As on March 31st 2026, board comprises of 6 Directors out of which 2 are Executive Directors and 4 are Non-Executive Directors including Woman Independent Director. The Board of Director comprises a well-rounded assembly of Professionals distinguished by their expertise, diverse backgrounds, and independence in their areas of specialization and have held eminent positions in respective fields.

During the Financial year 2025-2026,

1. During the financial year, Mr. Krishnamoorthi Meyyanathan (DIN: 07845698) and Mr. Surulisubbu Vasudevan (DIN: 10388399) were re-appointed as Independent Directors of the Company for a second term of five consecutive years, commencing from 14th May 2025 up to 13th May 2030. Subsequently, reappointment of Mr. Krishnamoorthi Meyyanathan (DIN: 07845698) and Mr. Surulisubbu Vasudevan (DIN: 10388399) was approved by the members by way of Special Resolution passed through Postal Ballot on 11th May 2025.
2. During the financial year, Ms. Narmadha Dinakaran (DIN: 01777888), who was appointed by the Board of Directors as an Additional Independent Director of the Company on 29th March 2025 for a term of five consecutive years up to 28th March 2030, was regularized as an Independent Director of the Company pursuant to the approval of the members by way of Special Resolution passed through Postal Ballot on 11th May 2025.

The composition of the Board is in conformity with Regulation 17 of the Listing Regulations read with Section 149 and 152 of the Companies Act, 2013 ("the Act").

None of the Directors on the Board holds directorships in more than ten public companies or serves as a Director or Independent Director in more than seven listed entities, nor a member of more than ten committees or Chairperson of more than five committees across all public limited companies; further, all necessary disclosures regarding committee positions in other public companies as on March 31, 2026, have been duly made by the Directors.

(B) CORE SKILLS/EXPERTISE/COMPETENCIES OF THE BOARD OF DIRECTORS

The Directors of the Company possess wide range of skills and experience which enhances the quality of the Board's decision-making process. The below list summarizes the key skills, expertise and competencies that the Board thinks necessary for the proper functioning in the context of the Company's business and industry and which in the opinion of the Board, its members possess:

- i. Leadership, Management & Governance.
- ii. Business & Industry knowledge.
- iii. Technology background.
- iv. Experience on ESG.
- v. People Management.
- vi. Risk expertise.
- vii. Strategic and analytical mindset.
- viii. Legal, regulatory and financial knowledge; and
- ix. Interpersonal skills and personal values.
- x. Audit and Financial Management.

The details of the Board members as on March 31, 2026, are as follows and the profiles of our directors are available on our website https://www.bgrcorp.com/board_of_directors.php.

(I) Director Profile:

1. Mr. ARJUN GOVIND RAGHUPATHY EXECUTIVE DIRECTOR-MANAGING DIRECTOR

Nationality: Indian
Age: 36 Years
Date of appointment: 11/11/ 2016
Date of reappointment: 11/11/2021
Tenure of Appointment: 5 Years
Inter Se relationship with Director: Son of Mrs. Sasikala Raghupathy
Shareholding: 2220 Shares
No. of other Directorships held including this company: 17
Board memberships in other listed companies: NIL

No. of Committee Memberships/Chairmanship held in other Indian Public companies as per Regulation 26 of Listing Regulations

Member: 2

Chairperson: NIL

Areas of expertise - Graduate in Mechanical Engineering from Anna University

1. For committee positions audit committee and the Stakeholders relationship committee are considered.

2. Directorships excluding Alternative Directorship,

**2. Mrs. SASIKALA RAGHUPATHY
NON-EXECUTIVE DIRECTOR & CHAIRPERSON**

Nationality: Indian

Age: 70 Years

Date of appointment: 20/08/ 1985

Date of reappointment: 09/08/2024

Tenure of Appointment: 5 Years

Inter Se relationship with Director: Mother of Mr. Arjun Govind Raghupathy

Shareholding: 2100

No. of other Directorships held including this company: 10

Board memberships in other listed companies: NIL

No. of Committee Memberships/Chairmanship held in other Indian Public companies as per Regulation 26 of Listing Regulations

Member: Nil

Chairperson: Nil

Areas of expertise – Business

1. For committee positions audit committee and the Stakeholders relationship committee are considered.

2. Directorships excluding Alternative Directorship, Directorships in Foreign Companies.

3. Mr. GANESAN JEYAKRISHNA
EXECUTIVE-DIRECTOR

Nationality: Indian

Age: 61 Years

Date of appointment: 14/05/2024

Date of reappointment: Nil

Tenure of Appointment: Nil

Inter Se relationship with Director: Nil

Shareholding: NIL

No. of other Directorships held including this company: 2

Board memberships in other listed companies: NIL

No. of Committee Memberships/Chairmanship held in other Indian Public companies as per Regulation 26 of Listing Regulations

Member: 1

Chairperson: Nil

Areas of expertise - Graduated in Business Administration from Madurai Kamaraj University in the year 1985; has a Post Graduate Diploma in Personnel Management & Industrial Relations from Annamalai University in the year 1987.

He was working in Manali Petrochemicals Ltd & SPIC Electric Power Corporation Ltd, both SPIC group for 11 years and was holding various positions.

1. For committee positions audit committee and the Stakeholders relationship committee are considered.

2. Directorships excluding Alternative Directorship, Directorships in Foreign Companies.

4. Mr. KRISHNAMOORTHY MEYYANATHAN
NON -EXECUTIVE INDEPENDENT DIRECTOR

Nationality: Indian
Age: 74 Years
Date of appointment: 14/05/2024
Date of reappointment: 14/05/2025
Tenure of Appointment: 13/05/2030
Inter Se relationship with Director: Nil
Shareholding: NIL
No. of other Directorships held including this Company: 1
Board memberships in other listed companies:
NIL

No. of Committee Memberships/Chairmanship held in other Indian Public companies as per Regulation 26 of Listing Regulations

Member: NIL
Chairperson: 2

Areas of expertise -Practicing Company Secretaries

1. For committee positions audit committee and the Stakeholders relationship committee are considered.

2. Directorships excluding Alternative Directorship, Directorships in Foreign Companies.

5. Mr. SURILISUBBU VASUDEVAN
NON-EXECUTIVE INDEPENDENT DIRECTOR

Nationality: Indian
Age: 70 Years
Date of appointment: 14/05/2024
Date of reappointment: 14/05/2025
Tenure of Appointment: 13/05/2030
Inter Se relationship with Director: Nil
Shareholding: NIL
No. of other Directorships held including this Company: 2
Board memberships in other listed companies:
1. ABS Marine Services Limited

No. of Committee Memberships/Chairmanship held in other Indian Public companies as per Regulation 26 of Listing Regulations

Member: 3

Chairperson: 1

Areas of expertise -Post Graduate degree in Commerce and is a Chartered Financial Analyst (CFA)

1. For committee positions audit committee and the Stakeholders relationship committee are considered.

2. Directorships excluding Alternative Directorship, Directorships in Foreign Companies.

**6. Ms. NARMADHA DINAKARAN
NON-EXECUTIVE INDEPENDENT DIRECTOR**

Nationality: Indian

Age: 41 Years

Date of appointment: 29/03/2025

Date of reappointment: NA

Tenure of Appointment: 28/03/2030

Inter Se relationship with Director: Nil

Shareholding: NIL

No. of other Directorships held including this company: 2

Board memberships in other listed companies: NIL

No. of Committee Memberships/Chairmanship held in other Indian Public companies as per Regulation 26 of Listing Regulations

Member: 1

Chairperson: NIL

Areas of expertise -Master's degree in Corporate Secretaryship

1. For committee positions audit committee and the Stakeholders relationship committee are considered.

2. Directorships excluding Alternative Directorship, Directorships in Foreign Companies.

(II) SKILLS / EXPERTISE / COMPETENCIES OF THE BOARD OF DIRECTORS

The following is the list of core skills / expertise /competencies identified by the Board of Directors as required in the context of the Company's business and that the said skills are available with the Board Members:

- a) Knowledge on Company's businesses, policies and culture (including the Mission, Vision and Values) major risks / threats and potential opportunities, industry trends, macro-economic and industrial policy impact and knowledge of the industry in which the Company operates.
- b) Behavioural skills-attributes and competencies to use their knowledge and skills to contribute effectively to the growth of the Company.
- c) Business Strategy, Sales & Marketing, Corporate Governance, Financial and Forex Management, Administration, Decision Making.
- d) Financial and Management skills.
- e) Technical / Professional skills and specialized knowledge in relation to Company's business

In the table below, the specific areas of focus or expertise of individual Board members have been highlighted.

Areas of Skills, Expertise and Competencies					
Name of Director	Knowledge on Company's business, policies & Culture	Behavioural Skills	Business Strategy, Sales & Marketing etc.,	Financial and Management Skills	Technical/ Professional skills
Mrs. Sasikala Raghupathy	✓	✓	✓	✓	✓
Mr. Ganesan Jeyakrishna	✓	✓	✓	✓	✓
Mr.Krishnamoorthi Meyyanathan*	✓	✓	✓	✓	✓
Ms. Narmadha Dinakaran@	✓	✓	✓	✓	✓
Mr. Surilisubbu Vasudevan*	✓	✓	✓	✓	✓
Mr. Arjun Govind Raghupathy	✓	✓	✓	✓	✓

Note:

*Re-Appointed on 14th May 2025 up to 13th May 2030, pursuant to the approval of the members by way of Special Resolution passed through Postal Ballot on 11th May 2025.

@ Appointed by the Board of Directors as an Additional Independent Director of the Company on 29th March 2025 for a term of five consecutive years up to 28th March 2030, was regularized as an Independent Director of the Company pursuant to the approval of the members by way of Special Resolution passed through Postal Ballot on 11th May 2025.

(C) MEETINGS AND ATTENDANCE OF BOARD DURING THE YEAR

During the Financial Year 2025-26, Four (4) Meetings of the Board were held (i.e) 28th May 2025, 14th August 2025, 14th November 2025, and 13th February 2026 and the gap between two meetings did not exceed one hundred and twenty days (120) days. In order to facilitate well-informed decision-making, the agenda and related documents were circulated to the Directors ahead of time. The Board Meetings are prescheduled, and adequate notice is given to the Board members. The minutes of all Board and Committee meetings were also circulated to all Directors and members of the respective committees, with comments taken into account before finalization.

The Board meeting is generally convened at least once every quarter to evaluate the Company's financial results and performance either through video conference or through physical presence. Wherever necessary, the circular resolutions were passed in accordance with applicable laws and were confirmed during the subsequent Board/Committee meetings.

The necessary quorum was present for all the meetings.

Details of Board meetings held and attendance during Financial Year 2025-26:

Name of the Director	Category	Board Meeting attended during the year		% Attended	Whether Attended 39 th AGM
		No. of Meetings entitled to attend	No. of Meetings attended		
Mrs. Sasikala Raghupathy	Non -Executive Director-Chairperson	2	4	50	Yes
Mr. Arjun Govind Raghupathy	Executive Director-Managing Director	4	4	100	Yes
Mr. Ganesan Jeyakrishna	Executive Director	4	4	100	Yes
Mr. Krishnamoorthy Meyyanathan	Non-Executive Independent Director	4	4	100	Yes
Mr. Surilisubbu Vasudevan	Non-Executive Independent Director	4	4	100	Yes
Ms. Narmadha Dinakaran	Non-Executive Independent Director	4	4	100	Yes

(D) INDEPENDENT DIRECTORS

Independent Directors of the Company are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations and Section 149(6) of the Act along with rules framed thereunder. In terms of Regulation 25(8) of the SEBI Listing Regulations, they have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

Based on the declarations received from the Independent Directors, the Board of Directors has confirmed that they meet the criteria of independence as mentioned under Section 149(6) of the Act and Regulation 16(1)(b) of the SEBI Listing Regulations and that they are

independent of the management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and that they are independent of the management.

Pursuant to Regulation 25(3) of the Listing Regulations and Schedule IV of the Act, a separate meeting of Independent Directors was convened on 13th February 2026, for FY 2025-26, and inter-alia discussed:

- (i) Performance of non-independent directors and the Board of Directors as a whole;
- (ii) Performance of the Chairperson of the Company;
- (iii) Assess the quality, quantity, and timeliness of flow of information between the management of the Company and the Board of Directors that is necessary for the Board to effectively and reasonably perform their duties; and
- (iv) Other related matters.

The meeting was chaired by Mr.Krishnamoorthy Meyyanathan and was held without the presence of Non-Independent Directors and members of the management.

The Directors of the Company are familiarised with the Company's operations, business activities, and the regulatory framework governing its operations.

The details of familiarization programmes imparted to Independent Directors during financial year 2025-26 have been disclosed on the website of the Company at <https://www.bgrcorp.com/policy/familiarisation-program-FY-25-26.pdf>

(E) TRAINING OF BOARD MEMBERS

All Board members of the Company are accorded every opportunity to familiarise themselves with the Company, its management, its operations and above all, the industry perspective and issues. They are made to interact with senior management personnel and proactively provided with relevant news, views and updates on the Company and sector. All the information/documents sought by them are also shared with them for enabling a good understanding of the Company, its various operations and the industry of which it is a part. Separate sessions are organised during the year with domain experts to enable Board members to update their knowledge of the sector.

Further any new non-executive directors joining the Board undergo orientation sessions to acquaint them with our Company culture. During these sessions, executive directors and senior management offer insights into our operations, values, and commitments. They are also introduced to the organization structure, services, group structure and subsidiaries, constitution, Board procedures, matters reserved for the Board, major risks and risk management strategy. The details of the familiarization program are also available on the Company's website at https://www.bgrcorp.com/sebi_lodr_regulations.php.

(F) MD /CFO CERTIFICATION

Pursuant to Regulation 17(8) of the Listing Regulations, the MD and CFO have issued a joint certificate verifying that the Financial Statements are free from any materially false statement, and accurately reflect the Company's current state of affairs. The said certificate has been appended as "**Annexure – A**" to this report.

(G) CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Company has adopted a Code of Conduct for the Board of Directors and Senior Management Personnel to ensure that the Company's operations adhere to the highest standards of ethics and values, in accordance with applicable laws, regulations, and rules, thereby contributing significantly to the Company's success. The Code is available on the Company's website at https://www.bgrcorp.com/policy/Code_of_Conduct1.pdf.

All the Board Members and Senior Management Personnel have affirmed compliance with the Code for the Financial Year 2025-26. A declaration signed by the MD & CFO to this effect is provided as part of "Annexure - A" to this Report.

3) AUDIT COMMITTEE

The Audit Committee ("AC") has been constituted by the Board in compliance with the requirements of Section 177 of the Act and Regulation 18 of the Listing Regulations. The Board of Directors has entrusted the

Audit Committee the duty to oversee the processes, ensuring accurate and timely disclosures that uphold the transparency, integrity, and quality of financial control and reporting.

The Audit Committee also invites the Chief Financial Officer, representatives of Internal Auditors, representatives of Statutory Auditors, and such executives as it considers appropriate at its meetings.

(a) Terms of Reference refer

The broad terms of reference of the Audit Committee, as approved by the Board, in compliance with Section 177 of the Act and Regulation 18 of the Listing Regulations, are as follows:

- 1) The recommendation for appointment, remuneration and terms of appointment of auditors;
- 2) Review and monitor the auditor's independence and performance, and effectiveness of audit and audit process;
- 3) Examination of the financial statement and the auditor's report;
- 4) Approval or any subsequent modification of the transactions of the Company with related parties;
- 5) Grant omnibus approval for related party transactions;
- 6) Make recommendations to the Board where it does not approve the related party transaction other than transactions specified in Section 188 of the Companies Act;
- 7) Scrutinize inter-corporate loans & investments;
- 8) Valuation of undertakings or assets of the Company;

- 9) Monitoring the end use of funds raised through public offers;
- 10) Call for comments of the auditors about internal control systems, scope of audit, including observations of the auditors and review of financial statement before their submission to the board;
- 11) Discuss issues related to the financial statements with the internal and statutory auditors and the management;
- 12) To investigate into any matters in relation to items 1 to 9 above or any matter referred by the Board within its terms of reference and for this purpose, it shall seek information from any employee;
- 13) Obtain outside legal or other professional advice; and secure attendance of outsiders with relevant expertise if it considers necessary; and
- 14) Such other powers as may be prescribed from time to time under the Companies Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations').

(b) Composition of Committee and Meetings held during the year

As on 31st March, 2026, the Committee comprised of 4 members comprising of 3 Independent Directors and 1 Executive Director. The members of the Committee are financially literate and bring in expertise in the fields of Accounting & Finance, Strategy and Management. Mr. Krishnamoorthi Meyyanathan, the Chairman of the Audit Committee (Independent Director) w.e.f 29th March 2025, and has expert knowledge in accounts & finance, banking, corporate laws, and governance matters and he attended the last Annual General Meeting of the Company held on 26th September 2025. The Committee consists of a majority of Independent Directors. The Company Secretary acts as the Secretary to the Committee.

The Company Secretary is the Compliance Officer to ensure compliance and effective implementation of the Code of Conduct for Regulating, Monitoring and Reporting of Trading by Insiders.

During the year, the Audit committee met four times on 28th May 2025, 14th August 2025, 14th November 2025 and 13th February 2026. The minutes of the meetings of the Committee are placed before and noted by the Board.

Name of the Director	Category	Audit Committee Meeting attended during the year	% Attended
Mr. Krishnamoorthy Meyyanathan	Non-Executive Independent Director-Chairman	4/4	100
Mr. Surilisubbu Vasudevan	Non-Executive Independent Director-Member	4/4	100
Mr. Arjun Govind Raghupathy	Executive Managing Director-Member	4/4	100

Ms. Narmadha Dinakaran	Non-Executive Independent Director-Member	4/4	100
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4) Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("NRC") has been constituted by the Board in adherence to the mandates outlined in Section 178 of the Act and Regulation 19 of the Listing Regulations. The Committee consists of a majority of Independent Directors.

The Committee has pursuant to Section 178 of the Act and Regulation 19(4) of Listing Regulations formulated a Nomination and Remuneration Policy intended to set out a framework for nomination, evaluation, and remuneration of Board of Directors, Key Management Personnel and Senior Management Personnel of the Company. A copy of the Policy is available on the website of the Company at <https://www.bgrcorp.com/policy/NRC-Policy-BGR2025.pdf>.

(a) Terms of Reference

The Nomination and Remuneration Committee ("NRC") has been constituted by the Board in adherence to the mandates outlined in Section 178 of the Act and Regulation 19 of the Listing Regulations. The Committee consists of a majority of Independent Directors.

1) Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (the Board or Board of Directors) a policy relating to the remuneration of the directors, key managerial personnel, and other employees (Nomination & Remuneration Policy). The Nomination and Remuneration Committee, while formulating the above policy, should ensure that:

- (i) The level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
- (ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short-term and long-term performance objectives appropriate to the working of the Company and its goals.

2) Formulation of criteria for evaluation of independent directors and the Board.

3) Devising a policy on Board diversity.

4) Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of Board, its committees, and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by BGR Energy Systems Limited independent external agency and review its implementation and compliance.

5) Whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors.

6) Recommend to the board, all remuneration, in whatever form, payable to senior management and other staff, as deemed necessary.

7) Carrying out any other functions required to be carried out by the Nomination and Remuneration Committee as contained in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') or any other applicable law, as and when amended from time to time.

8) Analysing, monitoring, and reviewing various human resource and compensation matters.

9) Deciding whether to extend or continue the term of appointment of the independent director, based on the report of performance evaluation of independent directors.

10) Determining the Company's policy on specific remuneration packages for executive directors including pension rights and any compensation payment and determining remuneration packages of such directors.

11) Administering, monitoring, and formulating detailed terms and conditions of the employee stock option scheme, if any, of the Company.

12) Reviewing and approving the Company's compensation strategy from time to time in the context of the then current Indian market in accordance with applicable laws.

13) Performing such functions as are required to be performed by the compensation committee under the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, if applicable.

14) Framing suitable policies, procedures, and systems to ensure that there is no violation of securities laws, as amended from time to time, including:

(a) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; and

(b) The Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices

Relating to the Securities Market) Regulations, 2003, by the trust, the Company, and its employees, as applicable; and

15) Performing such other activities as may be delegated by the Board or specified/provided under the Companies Act, 2013 to the extent notified and effective, as amended or by the SEBI Listing Regulations, as amended or by any other applicable law or regulatory authority.

Performance Evaluation: The criteria for performance evaluation cover the areas relevant to the functioning as Independent Directors such as preparation, participation, conduct and effectiveness. The performance evaluation of Independent Directors was done by the entire Board of Directors and in the evaluation of the Directors who are subject to evaluation had not participated.

(b) Composition of Committee and Meetings held during the year:

As on 31st March 2026, the Committee comprised of 3 members out of which 2 Independent Directors and 1 Non- Independent Directors .

The Company Secretary acts as a Secretary to the Committee.

Nomination and Remuneration Committee

During the Year, the Nomination and Remuneration Committee met one time on 14th August 2025. The minutes of the meetings of the Committee are placed before and noted by the Board.

Name of the Director	Category	NRC Meeting attended during the year	% Attended
Mr.Krishnamoorthy Meyyanathan	Non-Executive Independent Director-Chairman	1/1	100
Mr. Surilisubbu Vasudevan	Non-Executive Independent Director-Member	1/1	100
Mrs. Sasikala Raghupathy	Non-Executive Director-Member	1/1	100

5) Stakeholder Relationship Committee

The Stakeholders' Relationship Committee ("SRC") has been constituted by the Board in compliance with the requirements of Section 178 of the Act and Regulation 20 of the Listing Regulations. The SRC addresses and resolves shareholder grievances, including concerns such as non-receipt of annual reports, transfer and transmission of shares, non-receipt of dividends/interests, and any other grievances raised by security holders as they arise.

Mr. S. Sundar, Company Secretary is the Compliance Officer for complying with the requirements of the Listing Regulations.

(a) Terms of Reference

The broad terms of reference of the SRC, as approved by the Board, are as follows:

- 1) Resolving the grievances of the security holders of the Company including complaints related to transfer/ transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/ duplicate certificates, general meetings etc.
- 2) Review of measures taken for effective exercise of voting rights by shareholders.
- 3) Review of adherence to the service standards adopted by the Company in respect of various services being rendered by the Registrar and Share Transfer Agent; and
- 4) Considering and specifically looking into various aspects of interest of shareholders, debenture holders and other security holders.
- 5) Investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures, or any other securities.
- 6) Giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and rematerialization of shares, split and issue of duplicate/consolidated share certificates, compliance with all the requirements related to shares, debentures, and other securities from time to time.

7) Review of the various measures and initiatives taken by the Company for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company.

8) Carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

(b) Composition of Committee and Meetings held during the year:

As on 31st March 2026, the SRC comprised of 3 members with 1 Independent Director and 2 Executive Directors.

The Company Secretary acts as the Secretary to the Committee.

Stakeholder relationship Committee

During the year, the Stakeholder relationship Committee met on 14th November 2025. The minutes of the meeting of the Committee are placed before and noted by the Board.

Name of the Director	Category	SRC Meeting attended during the year	% Attended
Mr. Krishnamoorthy Meyyanathan	Non-Executive Independent Director-Chairman	1/1	100
Mr. Ganesan Jeyakrishna	Non-Executive Independent Director-Member	1/1	100
Mr. Arjun Govind Raghupathy	Managing Director-Member	1/1	100

(c) Details of Complaints received and resolved during the FY 2025-26

Particulars	No. of Complaints
Opening as on April 1, 2025	Nil
Received during the year	Nil
Resolved during the year	Nil
Closing as on March 31, 2026	Nil

6) Corporate Social Responsibility Committee

The Company has formed a Corporate Social Responsibility ("CSR") Committee in compliance with Section 135 of the Act. The purpose of CSR Committee is to develop and propose a CSR policy to the Board, as well as recommend various avenues in which the Company shall contribute to the CSR activities.

The CSR policy is available on our website at https://www.bgrcorp.com/policy/CSR_Policy.pdf.

(a) Terms of Reference

The broad terms of reference of the Corporate Social Responsibility Committee, as approved by the Board, are as follows:

- 1) Formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013.
- 2) Review and recommend the amount of expenditure to be incurred on the activities referred to in clause (a).
- 3) Monitor the corporate social responsibility policy of the Company and its implementation from time to time; and
- 4) Any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board from time to time.

7) GENERAL MEETINGS

(A) Extra-Ordinary General Meeting

During the year under review, no Extraordinary General Meetings were convened.

(B) Annual General Meeting

The Annual General Meeting of the Company was held 26th September 2025, through video Conferencing or Other Audio-Visual Means.

Information regarding the location/mode and timing of the Company's three most recent Annual General Meetings, as well as any special resolutions that were passed during those meetings provided below:

Date of Meeting along with Financial Year	Time of Meeting	Venue/Mode	Special Resolutions passed
		Mode: Through Video Conferencing or Other Audio-Visual Means Deemed Venue: Registered office	
26/09/2025 (FY 2024-25)	12.05 PM		1. Revocation of Increase in the Authorized Share Capital of the Company and Consequential Alteration to Memorandum of Association of the Company. 2. Approval and Ratification of Remuneration of Managing Director of the Company.
09/08/2024 (FY 2023-24)	12.30 PM		1. Appointment of Mr. Sadasivam Deivanayagam (Din: 07622466) as an Independent Director of the Company. 2. Appointment Of Mr. Krishnamoorthi Meyyanathan

			(Din: 07845698) as an Independent Director of the Company. 3. Appointment Of Mr. Surilisubbu Vasudevan (Din: 10388399) as an Independent Director of the Company.
29/09/2023 (FY 2022-23)	12.30 PM		NIL

(C) POSTAL BALLOT

During the Financial Year, the following Special Resolutions passed through Postal ballot on 11th May 2025.

SL.NO	RESOLUTION PASSED
1	Appointment of Ms. Narmadha Dinakaran (DIN: 01777888) as an Independent Director of the Company for a Term of 5 Years.
2	Approval for Re-Appointment of Mr. Krishnamoorthi Meyyanathan, (Din: 07845698) as a Non-Executive Independent Director of The Company for A Term of 5 Years. (Second Term)
3	Approval for Re-Appointment of Mr. Surilisubbu Vasudevan, (DIN:10388399) as a Non-Executive Independent Director of The Company for A Term of 5 Years (Second Term).

Person who conducted the Postal Ballot exercise – Mr. Prabhakar Chandrasekaran, Partner, M/s. BP & Associates, Practising Company Secretaries, Chennai, was appointed as the Scrutinizer to scrutinize the postal ballot process by voting through electronic means only (remote e-voting) in a fair and transparent manner.

Procedure adopted for Postal Ballot:

- i. The Board of Directors of the Company in their Board Meeting held on 29th March 2025 approved the process to conduct Postal Ballot by remote e-voting process pursuant to Section 110 of the Companies Act 2013 Rule 20 and Rule 22 of the Companies (Management and Administration) Rules, 2014 ("Rules") read with the circulars issued by the Ministry of Corporate Affairs from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- ii. Mr. S Sundar (Membership No: A9926), Company Secretary and Compliance Officer was authorized to receive scrutinizer report and declare the voting results of the Postal Ballot on behalf of the Company.
- iii. Mr. Prabhakar Chandrasekaran [M No: F11722 and CP No: 11033] of M/s. BP & Associates, Practicing Company Secretaries appointed as Scrutinizer for conducting the Postal Ballot only through Remote e-voting in fair and transparent manner.

- iv. The Company has availed the service of Central Depository Service Limited (CDSL) for providing Remote E-voting facility to the members.
- v. The postal ballot notice along with the explanatory statement sent only through e-mail on 04th May 2025 to those members whose name appears on the Register of Members as on cutoff date i.e 11th April 2025.
- vi. The newspaper advertisement as required under the Act and the MCA Circulars was published on 12th April 2025 in Business Standard (English) and Prajasakti (Telugu)
- vii. The remote e-Voting period commenced on 12th April 2025 to (09:00 AM IST) and closed on 11th May 2025 (05:00 PM IST) (both days inclusive).

The voting results and scrutinizer report has been submitted to the stock exchange and uploaded on the website of the Company on 12th May 2025.

8). Remuneration to Directors

(a) Criteria for making payments to Non-Executive Directors

As per the recommendation of the Nomination and Remuneration Committee and approval by the Board of Directors, each Independent Director is entitled to a sitting fee of INR 40,000/- for every Board meeting and every Committee Meeting.

(b) Criteria for making payments to Executive Directors

The Executive Directors are paid remuneration within the limits as approved by the Shareholders at the time of their appointment which are in line with the statutory requirements and Company's policies. The revision in remuneration if any, is recommended by the Nomination & Remuneration Committee of the Board and approved by the Board of Directors after considering their individual performance as well as the performance of the Company in a given year which will be subject to the approval of the shareholders. Perquisites, performance linked incentives and retirement benefits are paid in accordance with the Company's compensation policies, as applicable to all employees.

(c) Remuneration Policy (Web link): <https://www.bgrcorp.com/policy/NRC-Policy-BGR2025.pdf>

(d) Details of Remuneration paid to Directors for Financial Year 2025-26

(In Rs.)

Name	Fixed	Variable	Variable Pay Criteria	Commission	Sitting Fees	Total
Mr. Arjun Govind Raghupathy	Rs. 10,41,715	-	-	-	-	Rs.10,41,715
Mr.Krishnamoorthi Meyyanathan	-	-	-	-	Rs.4,40,000	Rs.4,40,000
Mr.Surilisubbu Vasudevan	-	-	-	-	Rs,4,00,000	Rs.4,00,000
Mrs.Sasikala Raghupathy	-	-	-	-	Rs.1,20,000	Rs.1,20,000

Mr.Ganesan Jeyakrishna	Rs. 47,01,204	-	-	-	-	Rs.47,01,204
Ms.Narmadha Dhinakaran	-	-	-	-	Rs.3,60,000	Rs.3,60,000

The Company does not have any Employees' Stock Option Scheme and there is no separate provision for payment of Severance Fees.

9) MEANS OF COMMUNICATION

(a) Financial Results and Newspaper Publication

Quarterly, half-yearly and annual financial results and other shareholder notices/communications are published in Business Standard (English) and in Prajasakti (Telugu) pursuant to Regulation 47 of the Listing Regulations.

(b) Website

The Company maintains an active website www.bgrcorp.com pursuant to Regulation 46 of the Listing Regulations wherein all the price-sensitive information and requisite material disclosures are displayed after its dissemination to the Stock Exchanges. By ensuring easy access to relevant information, the Company demonstrates its commitment to transparency and accountability, enabling stakeholders to make informed decisions.

(c) ANNUAL REPORT

Annual Report containing audited standalone and consolidated financial statements together with Board's Report, Auditors' Report and other reports/information are circulated to members entitled thereto and is also made available on the Company website at https://www.bgrcorp.com/annual_report.php.

(d) SEBI Complaints Redress System (SCORES) and Online Dispute

Resolution Portal Securities and Exchange Board of India ("SEBI") administers a centralised web-based complaints redress system ("SCORES"). It enables investors to lodge and follow up complaints and track the status of redressal online on the website at <https://scores.sebi.gov.in/>.

It also enables the market intermediaries and listed companies to receive the complaints from investors against them, redress such complaints and report redressal of such complaints. All the activities starting from lodging of a complaint till its disposal are carried online in an automated environment and the status of every complaint can be viewed online at any time. The Company has registered itself on SCORES and endeavours to resolve all investor complaints received through SCORES. A common ODR Portal (<https://smartodr.in/login>) has been also established by SEBI to raise disputes arising in the Indian Securities Market. Post exhausting the option to resolve their grievances through RTA or the Company or SCORES platform, the investors can initiate dispute resolution through the ODR Portal.

During the Financial Year 2025–26, the Company received complaint through the SCORES platform. Upon review, it was observed that the grievance did not pertain to any matter falling within the purview of SEBI or the Company's obligations under the SEBI regulatory framework. Accordingly, the complaint was appropriately disposed of and closed on the SCORES platform within the prescribed timelines.

e) PRESENTATION

No presentation had been made to institutional investors or to the analysts during the year under review.

10) General Shareholders Information

(a) Annual General Meeting for the Financial Year 2025-26

Date and time	22.09.2026 at 11.30 A.M
Mode	Video Conferencing
Deemed Venue	Registered office

(b) Financial Year

The financial year of the Company was from April 01, 2025, to March 31, 2026.

(c) Dividend Payment Date

During the year, the Company has not declared any dividend.

(d) Listing on Stock Exchanges

The Company's equity shares are listed on following Stock Exchanges as on March 31, 2026:

Name & Address of Stock Exchanges	Scrip Code/Symbol	ISIN Number for NSDL/CDSL (Dematerialized shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001	532930	INE661I01014
The National Stock Exchange of India Limited Exchange Plaza, Bandra-Kurla Complex, Bandra (East), Mumbai – 400 051	BGRENERGY	

The Company hereby confirms it has duly paid the listing fees for the Financial Year 2026-27 to both BSE and NSE.

(e) Green Initiative

Pursuant to Sections 101 and 136 of the Act read with the Companies (Management and Administration) Rules, 2014 and Companies (Accounts) Rules, 2014 and Regulation 36 of SEBI (LODR) Regulations, the Company can send Notice of Annual General Meeting, Financial Statements and other communication to the shareholders in electronic form.

Our Company proudly supports this eco-conscious initiative. Your Company is sending the Annual Report including the Notice of Annual General Meeting, Audited Financial Statements, Board's Report along with their annexure etc. for the Financial Year 2025-2026 in electronic mode to the shareholders who have registered their e-mail addresses with the Company or their respective Depository Participants (DPs).

Pursuant to the amendment in Regulation 36(1)(b) of the Listing Regulations, the Company will send a physical letter to those shareholders who have not registered their e-mail addresses

with the Company or the Depositories. This letter will include a web link to access the Annual Report. To facilitate more efficient and timely communication, shareholders who have not yet registered their e-mail addresses are requested to do so at the earliest. Shareholders holding shares in dematerialized form may register their e-mail addresses with their respective Depository Participants (DPs). This move toward electronic communication not only enhances convenience but also reduces paper consumption, reinforcing our commitment to environmental sustainability and a greener future.

Members may please note that notices, annual reports, etc. will be available on the Company's website at https://www.bgrcorp.com/annual_report.php. and also on the website of the Stock

Exchanges i.e. BSE Limited and National Stock Exchange of India Limited at www.bseindia.com/ and www.nseindia.com/ respectively.

(f) Registrars and Transfer Agents (RTA)

The Company's RTA manages all tasks related to the Share Registry, handling both physical and electronic formats. Please refer to the provided name and contact details of our RTA:

Name and Address:

M/s. MUFG Intime India Private Limited

(Formerly known as M/s. Link Intime India Private Limited)

C-101, Embassy 247, Lal Bahadur

Shastri Marg, Vikhroli (West), Mumbai City,

Mumbai, Maharashtra, India, 400083

Tel: +91 810 811 6767

Website: <https://in.mpms.mufg.com/>

Web-based query resolution system developed by Registrar and Transfer Agent (RTA):

- Swayam - A portal to view records, download documents, raise queries, etc. Link to the portal - <https://swayam.in.mpms.mufg.com/>.
- iDIA - This chatbot provides quick guidance on queries raised or directs shareholders to appropriate channel to resolve their queries. Link to the portal <https://in.mpms.mufg.com/>.

The shareholders can raise a query or service request by visiting MUFG website > Investor Services > ServiceRequest (https://web.in.mpms.mufg.com/helpdesk/Service_Request.html)

Shareholders are requested to correspond with the Registrar and Share transfer Agent for transfer /transmission of shares, demat, remat, change of address, nomination, all queries pertaining to their shareholding, dividend, shares transferred to Demat Account of IEPF Authority etc., at the address given above.

(g) Share Transfer System

In terms of Regulation 40(1) of the SEBI Listing Regulations, as amended from time to time, transfer, transmission and transposition of securities shall be effected only in dematerialized form.

Pursuant to SEBI Circular dated January 25, 2022, the listed companies shall issue the securities in dematerialized form only, for processing any service requests from shareholders viz., issue of duplicate share certificates, endorsement, transmission, transposition, etc.

Further as on March 31, 2026, Except 2 shares, remaining shares are held in Demat mode by the shareholders of the Company.

(h) SHAREHOLDING PATTERN

AS ON 31ST MARCH 2026

LIST OF SHAREHOLDERS CATEGORYWISE (SUMMARY)

SR.NO.	CATEGORY	DEMATERIALIZED		PHYSICAL		TOTAL		% - Issued Capital
		Securities	Holders	Securities	Holders	Securities	Holders	
1	Body Corporate - Ltd Liability Partnership	63229	9	0	0	63229	9	0.0876
2	Central Government	1000	1	0	0	1000	1	0.0014
3	Clearing Members	40235	26	0	0	40235	26	0.0558
4	Corporate Bodies (Promoter Co)	36802400	2	0	0	36802400	2	51.0000
5	Fpi (Corporate) - I	65593	3	0	0	65593	3	0.0909
6	Fpi (Corporate) - li	10327	1	0	0	10327	1	0.0143
7	Hindu Undivided Family	1206673	1840	0	0	1206673	1840	1.6722
8	Investor Education And Protection Fund	77475	1	0	0	77475	1	0.1074
9	Nbfc's Registered With Rbi	290	1	0	0	290	1	0.0004
10	Non Resident (Non Repatriable)	453996	412	0	0	453996	412	0.6291
11	Non Resident Indians	1038492	351	0	0	1038492	351	1.4391
12	Other Bodies Corporate	2726460	183	0	0	2726460	183	3.7783
13	Promoters	2220	1	0	0	2220	1	0.0031
14	Public	29670880	67364	2	2	29670882	67366	41.1173
15	Relatives Of Director	2204	2	0	0	2204	2	0.0031
16	Trusts	84	1	0	0	84	1	0.0001
TOTAL :		72161558	70198	2	2	72161560	70200	100.0000

(i) DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2026

SERIAL	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	64461	91.8248	3887601	5.3874
2	501	to	1000	2296	3.2707	1788689	2.4787
3	1001	to	2000	1314	1.8718	1958674	2.7143
4	2001	to	3000	5 13	0.7308	1296144	1.7962
5	3001	to	4000	323	0.4601	1135480	1.5735
6	4001	to	5000	221	0.3148	1032269	1.4305
7	5001	to	10000	483	0.6255	3528265	4.8894
8	10001	to	Above	589	0.8390	57534438	79.7300
Total				70200	100.0000	72161560	100.0000

(j) Dematerialization of Shares and Liquidity

As on March 31, 2026, the total issued share capital was held in electronic form with National Securities Depository Limited, Central Depository Services (India) Limited and Physical and the breakup is as follows:

Category	As on March 31, 2026	
	No. of Shares	% of Total Shares
NSDL	5,30,39,251	73.50
CDSL	1,91,22,307	26.50

PHYSICAL	2	0.01
TOTAL	7,21,61,560	100

(k) Suspension of Trading

During the year under review, the Company's securities were continuously traded on stock exchanges without any suspension.

(l) Outstanding Global Depository Receipts (GDR) or American Depository Receipts (ADR) or warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/Warrants or any convertible instruments in the past and hence, as on March 31, 2026, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.

(m) Address for Correspondence

Shareholders are encouraged to direct all correspondence regarding their shares, dividends, requests for annual reports, and any grievances to the Company's RTA using the provided contact details in Sl. No. (f) above.

Additionally, shareholders can correspond directly with the Company using the contact details provided below:

S. Sundar
(Company Secretary & Compliance Officer)

BGR ENERGY SYSTEMS LIMITED

Reg. Office: E-4 Pannamgadu Industrial Estate, Ramapuram Post, Tada Mandalam, Tirupathi District, Andhra Pradesh, 524401

Corporate Office: 443, Anna Salai, Teynampet, Chennai – 600018

Website: www.bgrcorp.com

Email address: sundar.srinivasan@bgrenergy.com

(n) Credit Rating

During the year the Company's Credit rating was BWR D -Downgrade to BWR D- ISSUER NOT COOPERATING by Credit Rating Agency. Your Management is planning to implement various measures for fund infusion and promoters have infused substantial amount to stabilize the operations of the Company and devising other options also to improve the financial position.

(o) Plant locations

1. Panjetty Village, Ponneri Taluk, Ponneri, Tamil Nadu. (Two factories).
2. 22, Kamaraj Salai, Thattanchavadi Industrial Estate, Oulgaret Municipality, Puducherry.

Major Project Locations

1. 2 x 660 MW Boiler and its auxillary project of NTPC at Solapur, Maharashtra.
2. 2 x 660 MW Boiler and its auxillary project of NTPC at Meja, Uttarpradesh.
3. 2 x 800 MW STG and its auxillary plant at NTPC at Lara, Chhattishgarh.
4. 1 x 800 MW – Dr. Narla Tata Rao Thermal Power Station, Stage – V (1X800 mw), unit-8 at Ibrahimpatnam, Krishna District, Andhra Pradesh.

5. 3 x 660 MW – Super Critical Ghatampur Thermal Power Project at Ghatampur, Kanpur Nagar District, Uttar Pradesh.
6. 2X 1000 MW NPCIL- Kudankulam Project for electrical and C&I, Kudankulam village, Tamil Nadu
7. 220KV Switchyard Extension, Substation, FWPH & REPS Tarapur 3&4 , Maharashtra (TAPS), Tarapur Atomic Power Station

11) OTHER DISCLOSURES

(a) Related Party Transactions

All related party transactions entered into during the financial year 2025–26 were in the ordinary course of business and on an arm's length basis. These transactions were approved by the Audit Committee in compliance with the applicable provisions of the Companies Act and the Listing Regulations.

There were no materially significant related party transactions made by the Company with Promoters, Directors, KMPs or other Designated Persons, subsidiaries or relatives during the year, which may have a potential conflict with the interest of the Company at large.

The Board of Directors has approved a Related Party Transaction Policy and the same has been uploaded on the website of the Company at <https://www.bgrcorp.com/policy/policy-on-related-party-transactions-and-its-materiality1.pdf>

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchanges or SEBI, or any statutory authority, on any matter related to capital markets, during the year:

(i) During the Financial Year 2024–2025: The Securities and Exchange Board of India ("SEBI") imposed a penalty of ₹9.00 lakhs on the Company for certain non-compliances under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR Regulations"), including non-disclosure/delayed disclosure under Regulations 30 and 46, failure to obtain prior approval of the Audit Committee and shareholders' approval for material related party transactions under Regulation 23, and non-compliance with the requirements relating to the appointment of an Independent Director on the Board of a material subsidiary under Regulation 24 of the SEBI LODR Regulations.

(c) Vigil Mechanism/Whistle-Blower Policy

The Company has a Whistle-Blower Policy and has established the necessary vigil mechanism for directors, employees and other stakeholders to report concerns about unethical behaviour. No person has been denied access to the Chairperson of the Audit Committee. The said policy has been uploaded on the website of the Company at https://www.bgrcorp.com/policy/WhistleBlowerPolicyCircular2024_V1.pdf.

(d) Policy for Determining Material Subsidiaries

The Company has formulated a Policy for Determining Material Subsidiaries and the same is available on the Company's website at https://www.bgrcorp.com/policy/material_subsidary_policy1.pdf

(e) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A)

During the Financial Year ended March 31, 2026, the Company had not raised funds through preferential allotment or qualified institutions placement.

(f) A certificate from a Company Secretary in practice that none of the directors on the board of the company have been debarred or disqualified from being appointed or continuing as directors of companies by the board/Ministry of Corporate Affairs or any such statutory authority

The certificate issued by M/s. S Satheesh Kumar & Associates ; Practicing Company Secretaries is enclosed as **Annexure - B"** to this Report

(g) Recommendation of Committees

The Board of Directors confirm that during the year, it had accepted all the recommendations received from its mandatory/non-mandatory committees. None of the recommendations made by any of the committees had been rejected by the Board.

(h) Auditors' Remuneration

The details of total fees for all services paid by the Company and its subsidiaries, on a Standalone and Consolidated basis to the Statutory Auditor and all entities in the network firm/network entity of which the Statutory Auditor is a part are as follows:

Services	Amount (In Lakhs)
Statutory Audit Fees	36
Certification Charges	-
Tax Audit and other services	14
Out of pocket expenses	-

(i) Disclosures as required under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

To foster a safe and healthy work environment, free from harassment of any kind, including sexual harassment, the Company has implemented a Policy for Prevention, Prohibition and Redressal of Sexual Harassment in the Workplace and the same is available on the Company's website at <https://www.bgrcorp.com/policy.php>

This policy applies to all individuals associated with the Company, including regular and temporary employees, ad hoc and contractual staff, vendors, customers, trainees, probationers, apprentices, as well as all visitors to the Company premises.

PARTICULARS	DETAILS DURING THE YEAR 2025-26
No. of complaints filed during the year financial year.	NIL

No. of complaints disposed of during the financial year.	NIL
No. of complaints pending as on end of financial year.	NIL

(j) Compliances with the Corporate Governance Framework

The Company has complied with the mandatory requirements stipulated under Regulations 17 to 27 read with Schedule V and clauses (b) to (i) of sub regulation (2) of Regulation 46 of Listing Regulations.

The Company submits a quarterly compliance report on Corporate Governance signed by Compliance Officer to the Stock Exchanges within prescribed timelines from the close of every quarter. Such quarterly compliance reports on Corporate Governance are also posted on website of the Company.

The Company has obtained a certificate from a M/s. S Satheesh Kumar & Associates; Practicing Company Secretaries on compliance of conditions of Corporate Governance as stipulated in Listing Regulations is enclosed as "**Annexure - C**" to this report.

(k) Secretarial Compliance Certificate

Pursuant to Regulation 24A of Listing Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Annual Secretarial Compliance Report of the Company for the FY 2025-26 has been filed with the BSE & NSE and is uploaded on the website of the Company at https://www.bgrcorp.com/secretarial_compliance_report.php

(l) Transfer of Unclaimed Dividend and Shares to the Investor Education and Protection Fund ('IEPF')

There was no such instance applicable for the Company requiring any transfer to the IEPF as of date.

(m) Disclosure of Loans and advances in the nature of loans to firms/ companies in which directors are interested

The Company has not given any loans and advances to firms/Companies in which directors are interested during the year.

(n) Details of the Subsidiary Companies:

1. BGR Boilers Private Limited;
2. BGR Turbines Company Private Limited and
3. Sravanaa Properties Limited

All subsidiaries are material subsidiaries during the financial year 2025-26 as per the material subsidiary policy of the Company. The material subsidiary policy is uploaded in the website of the company and the link for the same is https://www.bgrcorp.com/policy/material_subsidary_policy1.pdf

The Company monitors the performance of its subsidiary, inter alia, by the following means:

1. The financial statements, of subsidiary companies are reviewed by the Audit Committee as well as by the Board on annual basis.
2. The minutes of Board meetings of the subsidiaries are placed and noted at the Board meetings of the Company.
3. The progress, including material developments, of the subsidiaries namely BGR Boilers Private Limited, BGR Turbines Company Private Limited and Sravanaa Properties Limited and are discussed by the Board.

	BGR Boilers Private Limited	BGR Turbines Company Private Limited	Sravanaa Properties Limited
Date of Incorporation	23-01-2009	23-01-2009	28-08-2002
Place of Incorporation	Chennai	Chennai	Chennai
Name of Auditors	V.Narayanan & Co	V.Narayanan & Co	Kumbhat and Co LLP
Date of Appointment of Auditors	24-07-2025	31-10-2025	29-09-2022

(o)Details of compliance with mandatory requirements and adoption of the non-mandatory requirements

The Company has complied with all the applicable mandatory requirements of Listing Regulations and the company has complied with certain non-mandatory requirements viz., the post of Chairperson and Chief Executive Officer separate, and the internal auditors of the Company are reporting directly to the Audit Committee. The Company is taking steps to comply with the other non-mandatory requirements.

(p) Discretionary Requirements

The Company has adopted the following discretionary requirements as provided in Part E of Schedule II of the Listing Regulations.

(i)The Board:

The Company does not maintain a separate office for non-executive chairman. The independent directors are having requisite qualification and experience to act as director on the Board.

The board of Directors have Ms. Narmadha Dinakaran as Women Independent Director.

(ii) Shareholders rights: Quarterly results were published in widely circulating national and local daily newspapers such as the Business Standard (English) and in Prajasakti (Telugu) pursuant to Regulation 47 of the Listing Regulations and also published in the website of the Company. These were not sent individually to the shareholders.

(iii) Audit Qualifications:

The Statutory Auditors have issued an unmodified opinion on the Standalone Financial Results of the Company. The report contains Emphasis of Matters and Material Uncertainty Related to Going Concern; however, the opinion is not modified in respect of the same.

In respect of the Consolidated Financial Results, the Statutory Auditors have issued a Qualified Opinion for the matters stated in the Basis for Qualified Opinion section of their report.

The management's responses and explanations for all the Qualifications of Statutory Auditors and Secretarial Auditors are given in the Board's Report.

(iv) Reporting of Internal Auditor: The internal auditor reports to the Audit Committee.

(q) Disclosure of commodity price risks and commodity hedging activities:

The Company has the Risk management policy on foreign currency transactions adopted by the Board. During the Financial Year 2025-26, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into derivative financial instruments such as forward contracts for hedging the required foreign exchange exposures. The substantial fluctuations in exchange rates have impacted the Company's operations. The details of foreign currency exposure are disclosed in Note 33 the standalone financial statements.

The Company's activities are exposed to commodity risks like price volatility, availability and quality and liquidity risk. These risks have a bearing on the operating profit of the Company. The Company's senior management oversees the management and mitigative measures, including firm purchase contracts and price escalation clauses in contracts with clients.

The Audit Committee regularly reviews the effectiveness of the risk identification and mitigative process and the steps taken by the Company to identify, address and mitigate foreign exchange and commodity related risks.

12) Particulars of Senior Management Personnel ("SMP")

Details of SMP pursuant to Regulation 16(1)(d) of Listing Regulations are as follows:

Sr. No	Name of SMP	Designation	Changes, if any (Yes/ No)	Nature of change and effective date
1	Mr. C. K. Ravi	ED E & C Business	Nil	Nil
2	Mr. Ram Naresh Singh Tomar	President – BTGG Business	Nil	Nil
3	Mr. Sanjay Bhattacharya	President – Project Management	Nil	Nil

13) Disclosures with respect to demat suspense account/ unclaimed suspense account

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year –NIL

Number of shareholders who approached listed entity for transfer of shares from suspense account during the year – NIL

Number of shareholders to whom shares were transferred from suspense account during the year - NIL

Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year - NIL

That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares -NIL

14) Disclosure of certain types of agreements binding listed entities

There have been no agreements executed pursuant to Paragraph 5A of Part A of Schedule III of the Listing regulations.

15) Disclosure of Non-Compliance of any Requirement of Corporate Governance Report with Reasons

The Company has complied with and disclosed all the mandatory corporate governance requirements as mentioned under sub-para (2) to (10) of part C of Schedule V of the SEBI Listing Regulations.

ANNEXURE –A
MANAGING DIRECTOR & CHIEF FINANCIAL OFFICER CERTIFICATION
(Pursuant to Regulation 17(8) read with Schedule II of the Listing Regulations)

To, The Board of Directors,
BGR Energy Systems Limited

We, Arjun Govind Raghupathy, Managing Director and S.Sundar, Chief Financial Officer, hereby certify that:

A. We have reviewed financial statements and the cash flow statement for the year ended March 31, 2026 and that to the best of our knowledge and belief:

- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- 2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the company's code of conduct.

C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors and the Audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

D. We have indicated wherever applicable, to the Auditors and the Audit committee

- 1) significant changes in internal control over financial reporting during the year;
- 2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- 3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting

Place:Chennai
Date:29-07-2026

Arjun Govind Ragupathy
Managing Director
DIN.02700864

S.Sundar
Chief Financial Officer

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

In accordance with the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial Year ended March 31, 2026.

FOR BGR ENERGY SYSTEMS LIMITED

Place:Chennai
Date:29-07-2026

**ARJUN GOVIND RAGHUPATHY
MANAGING DIRECTOR
DIN.02700864**



S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

(Pursuant to Regulation 34(3) read with Schedule V Para-C Sub clause (10) (i) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members

BGR Energy Systems Limited,
E-4, Pannamigadu Industrial Estate,
Ramapuram Post, Tada Mandalam,
Nellore, Andhra Pradesh, India, 524401

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **BGR Energy Systems Limited** having CIN: L40106AP1985PLC005318 and having its registered office at E-4, Pannamigadu Industrial Estate, Ramapuram Post, Tada Mandalam, Nellore, Andhra Pradesh, India, 524401 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company and its officers, I hereby certify that for the financial year ended 31st March 2026 none of the Directors on the Board of the Company as stated below, have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sl. No	Name of Director	Designation	DIN	Date of Original Appointment in Company
1	Mrs. Sasikala Raghupathy	Director	00490686	20/08/1985
2	Mr. Arjun Govind Raghupathy	Managing Director	02700864	11/11/2016
3	Mr. Ganesan Jeyakrishna	Director	03208035	14/05/2024
4	Mr. Krishnamoorthi Meyyanathan	Independent Director	07845698	14/05/2024
5	Mr. Surilisubbu Vasudevan	Independent Director	10388399	14/05/2024
6	Ms. Narmadha Dinakaran	Independent Director	01777888	29/03/2025





S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For S Satheesh Kumar & Associates

Date: 29/07/2026

Place: Chennai



S Satheesh Kumar
Practicing Company Secretary

ACS Number: 59469

C.P Number: 22347

Peer Review No. 3335/2023

UDIN: L40106AP1985PLC005318



S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

(Pursuant to Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To

The Members

BGR Energy Systems Limited,
E-4, Pannamgadu Industrial Estate,
Ramapuram Post, Tada Mandalam,
Nellore, Andhra Pradesh, India, 524401

I have examined the compliance of conditions of Corporate Governance by the Company M/s. BGR ENERGY SYSTEMS LIMITED [CIN: L40106AP1985PLC005318] (hereinafter referred to as 'the Company'), for the year ended March 31, 2026 as stipulated in Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations.

The compliance of the conditions of Corporate Governance is the responsibility of the management. My examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and on the basis of my examination of the records produced, explanations and information furnished, I certify that the Company has complied regarding the conditions of Corporate Governance as stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended for the financial year ended March 31, 2026 except as provided under:

- The Statutory Auditors of the Company issued a Qualified Opinion on the Audited Consolidated Financial Results for the year ended March 31, 2026. The consolidation was based entirely on the un-audited, management-certified provisional financials of its material subsidiaries, namely BGR Boilers Private Limited and BGR Turbines Company Private Limited, meaning the true impact of final audit adjustments remains unverified.
- The Company has not complied with the provisions of Section 136 of the Companies Act, 2013 read with Regulation 46(2)(s) of the SEBI (LODR) Regulations, 2015, as the separate audited financial statements of BGR Boilers Private Limited and BGR Turbines Company Private Limited for the financial year 2024-25 were uploaded on the Company's website only in June 2026 instead of being made available at least twenty-one days prior to the Annual General Meeting held on 26th September 2025.
- The minutes of the Board meetings of the unlisted subsidiaries were not placed before the Board of Directors of the holding Company during the reporting period, as mandated by Regulation 24(3) of SEBI LODR.





S SATHEESH KUMAR & ASSOCIATES

Practicing Company Secretaries

- The Company failed to appoint Independent Directors onto the Boards of its material unlisted subsidiaries (BGR Boilers Private Limited, BGR Turbines Company Private Limited, and Sravanaa Properties Limited) in compliance with Regulation 24 of SEBI LODR.

This Certificate 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 S Satheesh Kumar & Associates

Date: 29/07/2026

Place: Chennai



S Satheesh Kumar
Practicing Company Secretary
ACS Number: 59469
C.P Number: 22347
Peer Review No. 3335/2023
UDIN: A059469H001257127

ANNEXURE -6 TO THE BOARD'S REPORT

Annual report on CSR

(Pursuant to Section 134(3)(o) of the Companies Act, 2013 and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014)

1. Brief Outline on CSR Policy of the Company:

The Company, through its CSR programs, is committed to contribute to the cause of social, economic and infrastructural development of places and locations where its operations are carried on and thereby seeks to support and promote such society and community and earn goodwill of the public and authorities concerned.

2. Composition of CSR Committee:

The CSR Committee is comprised of following directors

S. No.	Name	Designation/Category	CSR Committee
1	Mrs.Sasikala Raghupathy	Chairman	Chairman
2	Mr. Arjun Govind Raghupathy	Managing Director	Member
3	Mr.Surulisubbu Vasudevan	Independent Director	Member

3. Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company:

Composition of CSR committee:

CSR Policy: https://www.bgrcorp.com/policy/CSR_Policy.pdf

CSR projects approved by the board: NA

4. 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.

Not Applicable.

5. CSR obligation for the financial year

SL.NO	Particulars	INR (in Lakhs)
a)	Average net profit of the Company as per sub-section (5) of Section 135	(46958.6)
b)	Two percent of average net profit of the company as per sub-section (5) of Section 135	NIL
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)]	NIL
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Note: the last three immediately preceding financial years, the company has net losses, hence there is no amount that has been prescribed by the CSR Committee, which needs to be spent during the year.

6. Details of CSR amount spent:

SL.NO	Particulars	INR (in Lakhs)
a)	Amount spent on CSR Projects	NIL
b)	Amount spent in administrative overheads	
c)	Amount spent on Impact Assessment, if applicable	
d)	Total amount spent for the Financial Year [(a)+(b)+(c)]	

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

Total Amount Spent for the Financial Year. (INR in Lakhs)	Amount Unspent (INR in Lakhs)					
	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.	of	Name of the Fund	Amount.	Date of transfer.
NA						

f). Details of amount spent against other than ongoing projects for the financial year:

SL. No	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No).	Location of the project.		Amount spent for the project (` in Lakhs)	Mode of implementation Direct (Yes/No).	Mode of implementation - Through implementing agency Name with CSR registration number.
				State.	District.			
NA								

g. Excess amount for set-off, if any:

SL.NO	Particulars	INR (in Lakhs)
(i)	Two percent of average net profit of the company as per sub-section (5) of Section 135	NIL
(ii)	Total amount spent for the Financial Year	NIL
(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:

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 the sub-section (6) of Section 135 (in Rs.)	Amount spent in the Financial Year (in Rs.)	Amount transferred to a Fund 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
NA							

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

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: Nil.

For and on behalf of the Board

Place: Chennai
Date: 29-07-2026

Ganesan Jeyakrishna
Director
DIN: 03208035

Arjun Govind Raghupathy
Managing Director
DIN:02700864

ANNEXURE -7 TO THE BOARD REPORT

Statement of Disclosure of Remuneration under Section 197 of Companies Act, 2013 and Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel Rules, 2014.

(I).The ratio of the remuneration of each Director and Key Managerial Personnel to the median remuneration of the employees of the Company for the financial year ended March 31, 2026 and percentage increase in remuneration compared to last financial year:

	Remuneration for the FY 25-26 (in Rs.) - Per Annum	% Increase in remuneration compared to last FY	Ratio to median remuneration of employees
Executive Directors			
Mr. Arjun Govind Raghupathy	Rs. 10,41,715 /-	59.95 %	-
Mr. Ganesan Jeyakrishna	Rs. 47,01,204/-	NIL	-
Non-Executive Directors –No remuneration except Sitting fees			
Mrs. Sasikala Raghupathy	-	-	-
Mr. Sadasivam Deivanayagam	-	-	-
Mr. Krishnamoorthi Meyyanathan	-	-	-
Mr. Surilisubbu Vasudevan	-	-	-
Ms. Narmadha Dinakaran	-	-	-
Chief Financial Officer			
*Seshadri Pattabiraman	Rs. 14,20,309 /-	NA	
Chief Financial Officer , Company Secretary			
**Srinivasan Sundar	Rs.28,50,190 /-	NA	-

Note :

1. Remuneration excludes the Company's contribution to Provident Fund and Gratuity.
2. Non-Executive Directors were not paid any remuneration except sitting fees for attending the meetings of the Board and Committees thereof.

3. ** The remuneration paid to Mr. Seshadri Pattabiraman pertains to the period during which he served as the Chief Financial Officer, i.e., up to August 31st, 2025. He was re-designated as Vice President – Accounts with effect from September 1st, 2025.*
4. *** Mr. Srinivasan Sundar was appointed as the Chief Financial Officer, in addition to his role as Company Secretary, with effect from September 1st, 2025. Accordingly, the remuneration disclosed includes the remuneration paid to him in both capacities.*

2. Percentage increase in the median remuneration of employees in the financial year ended March 31, 2026: There was no significant change in the median remuneration of employees during the financial year 2025-26 as compared to the previous financial year.

3. No. of permanent employees on the rolls of Company as on March 31, 2026: 375 as on March 31, 2026.

4. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

As per Company's increment guidelines. Compensation revisions generally take into account performance metrics on sales, operating profits and working capital apart from specific elements attributable to various functions within the organization.

4. The key parameters for any variable component of remuneration availed by the directors – Not Applicable.

5. Affirmation that the remuneration is as per the remuneration policy of the Company:

Your Company affirms that the remuneration of Directors and Key Managerial Personnel was as per the Remuneration Policy of the Company.

The information required pursuant to Section 136(1) of the Companies Act, 2013, the Report of the Board of Directors is being sent to all the shareholders of the Company excluding statement prescribed under Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The Statement will be sent by e-mail to the Shareholders, if such request is mailed to the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary at sundar.srinivasan@bgrenergy.com

For and on behalf of the Board

Place: Chennai
Date: 29-07-2026

Ganesan Jeyakrishna
Director
DIN: 03208035

Arjun Govind Raghupathy
Managing Director
DIN:02700864

ANAND & PONNAPPAN

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To

The Members of BGR Energy Systems Limited

Report on Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of BGR Energy Systems Limited (referred to as the "Company") which comprises the Balance Sheet as at March 31,2026, the Statement of Profit and Loss (including other comprehensive income), Statement of Cash Flows and Statement of changes in Equity for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policy information 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, 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 Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the company as at March 31,2026, the loss including other comprehensive income, changes in equity and its cashflows for the year ended on that date.

Basis for Opinion

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



Emphasis of Matter:

1. Attention is invited to Note No. 43 of the Standalone Financial Statements relating to the NUPPL Ghatampur contract, wherein the Company executed additional works beyond the original scope of the contract and raised claims of Rs. 1,62,042 lakhs, of which Rs. 33,969 lakhs have been recommended by the Conciliation Committee and the balance is pending approval.

Pending customer approval and amendment of the work order, related costs amounting to Rs. 23,455 lakhs during the year and Rs. 39,583 lakhs cumulatively up to 31st March 2026 have been charged to the Statement of Profit and Loss.

2. Attention is invited to Note No. 44 of the Standalone Financial Statements relating to the NTPS Vijayawada contract, wherein the Company executed additional works beyond the original scope of the contract. The Management has raised claims of Rs. 76,980 lakhs, which are pending customer approval and are being pursued legally.

Pending approval and amendment of the work order, related costs amounting to Rs. 5,307 lakhs have been charged to the Statement of Profit and Loss during the year ended 31st March 2026.

3. Attention is invited to Note No. 49 of the Standalone Financial Statements, wherein nine Public Sector Banks assigned the Company's outstanding dues to NARCL on 29th September 2025. Only ICICI Bank facilities continue as NPA and are yet to be assigned to NARCL, while Axis Bank and Kotak Mahindra Bank facilities are non-fund based and not classified as NPA.

The Company is in discussion with NARCL for finalisation of dues and documentation. Interest amounting to Rs. 16,276 lakhs up to June 2025 and Rs. 53,220 lakhs up to March 2026 has been provided in the Statement of Profit and Loss.

Our opinion is not modified in respect of these matters.

Material Uncertainty Related to Going Concern:

In the prior year's audit report dated 28th May 2025, an Adverse Opinion was issued regarding the Company's ability to continue as a going concern, as immediate liquidation appeared unavoidable.

During the current financial year, circumstances have improved due to various corrective measures taken by management. The Company has continued its operations for more than 12 months since the financial difficulties began, supported by steady revenue from existing contracts.

Further, the loan accounts classified as NPAs by nine banks have been assigned to National Asset Reconstruction Company Limited (NARCL) under the SARFAESI Act, 2002. The Company is currently in discussions with NARCL for resolution of its debt.



including possible debt waivers. Management expects that the proposed resolution may significantly reduce the Company's debt obligations and improve its net worth, liquidity, and overall financial position. However, as on the reporting date, the terms of the proposed settlement with NARCL are yet to be finalized, as disclosed in Note No. 51 to these standalone financial statements.

Accordingly, these conditions indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Nevertheless, based on management's assessment of future business prospects, proposed fund-raising plans, and other mitigating factors, management considers the going concern basis of accounting to be appropriate for the preparation of these standalone financial statement.

Our Opinion is not modified in respect of this matter

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2026. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Material Uncertainty Relating to Going Concern paragraphs and Emphasis of Matter paragraphs, we have determined the matters described below to be the Key Audit matter to be communicated in our report.

Revenue Recognition in case of Construction Contract- Involving Significant Judgement and Estimation

The Company recognises revenue from long-term contracts based on the stage of completion, determined by the proportion of costs incurred up to the reporting date relative to the total estimated contract costs at completion. This method of revenue recognition involves significant management judgement and estimation in assessing the total estimated contract costs, cost to complete, stage of completion, and the timing of revenue recognition.

Management's estimation process also includes determining expected losses on contracts, recognising such losses when it becomes probable that total contract costs will exceed the total contract revenue. Further, cost contingencies are incorporated within these estimates to account for specific project-related risks, uncertainties, and potential disputed claims. These contingencies are regularly reviewed and reassessed by management throughout the duration of the contract.

The Company's revenue may also include variable consideration, such as claims and variations, which are recognised only when management determines that recovery is highly probable, based on the available evidence.

Given the significant level of judgement and estimation involved, particularly relating to total cost forecasts, assessment of contract risks, and recognition of variable



consideration, we considered revenue recognition on long-term contracts to be a key audit matter.

Response to Key Audit Matter and Conclusion

Our principal audit procedures included, but were not limited to, the following:

- We assessed the appropriateness of the Company's revenue recognition policies, including those relating to variable consideration, by comparing them with the applicable requirements of the relevant accounting standards.
- We tested the design and operating effectiveness of key controls over:
 - identification and evaluation of distinct performance obligations;
 - estimation of costs to complete each performance obligation, including consideration of contingencies as the work progressed;
 - assessment of the impact of change orders on both the costs to complete and the transaction price; and
 - determination and impact of variable consideration on the transaction price.
- For a sample of customer contracts, we performed detailed procedures, which included:
 - Obtaining and reviewing contract documents, related change orders, and other relevant arrangements;
 - Assessing significant contract terms and deliverables to evaluate management's judgments regarding:
 - (i) identification of distinct performance obligations;
 - (ii) updates to estimated costs to complete arising from ongoing progress and change orders;
 - (iii) adjustments to the transaction price resulting from change orders; and
 - (iv) determination of variable consideration and its effect on the transaction price.
 - Comparing costs incurred to date with the Company's estimates to identify material deviations and evaluating management's revisions to estimated costs to complete, if any;
 - Testing the reasonableness of estimated costs and efforts to complete, considering the status of milestone deliveries and evidence of customer acceptance, to assess the risk of delays that could affect revenue recognition.
- We performed analytical procedures to assess the reasonableness of revenue recognized and disclosed, analysed by type and nature of services rendered.
- We also evaluated the adequacy and appropriateness of the Company's disclosures in accordance with Ind AS 115.



Conclusion

Based on the audit procedures performed, we did not identify any material exceptions with respect to the Company's adoption of Ind AS 115 or the timing of revenue recognition.

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 Directors' Report and Management Discussion and Analysis, but does not include the consolidated financial statements, 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 during the course of our audit or otherwise appears to be materially misstated.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

As on the date of this report, the other information was not made available to us by the management. Accordingly, we are unable to comment on this matter.

Responsibility of Management for the Standalone Financial Statements:

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("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 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 implementation and maintenance of 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 statement that give a true and fair view and are free from material misstatements, 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 Responsibility 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 misstatements, 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 scepticism throughout the audit. We also:

- a. Identify and assess the risks of material misstatements 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;
- b. 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 Companies Act, 2013, we are also responsible for expressing our opinion on standalone financial statements
- c. Whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls;
- d. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management;
- e. 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;

- f. 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;

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

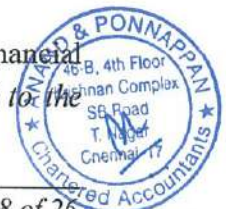
Report on Other Legal and Regulatory Requirements:

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable our report thereon is enclosed as "**Annexure A**".

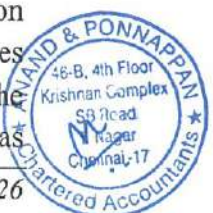


2. As required by Section 143(3) of the Act, we report that:

- 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. 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 adequate returns have been received from all the regional offices of the company;
- c. The Company's Balance Sheet, the Statement of Profit and Loss (incl. Other Comprehensive income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this report are in agreement with the books of accounts;
- d. The aforesaid standalone financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with The Companies (Indian Accounting Standards) Rules, 2015, as amended thereon.
- e. On the basis of the written representations received from the directors as on March 31, 2026 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164(2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**". Our report expresses unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting;
- g. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended, In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
- h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 No. 36 to the Standalone Financial Statements*)



- ii. The company has made provision, as required under applicable law or accounting standards, for material foreseeable losses, if any on long-term contracts including derivative contracts;
- 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, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, 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 notes to the accounts, no funds have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall, 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 as considered reasonable and appropriate in these circumstances, nothing has come to our notice that has caused them to believe that the representations under sub-clause (a) and (b) contain any material mis-statement.
- v. In lieu of carried over previous years' and current year losses, the company has not declared and/or paid any dividend during the year in accordance with Sec.123 of the Companies Act, 2013.
- vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2023 Edition) issued by the Institute of Chartered Accountants of India we report that the company has



used an accounting software ie.,SAP ERP, for maintaining its books of accounts which has feature of recording audit trail (edit log) facility for all relevant transactions recorded in the software throughout the year. However, we did not come across any instances of audit trial feature being tampered. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules,2014. We have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

Place: Chennai
Date: 25.05.2026
UDIN: 26207896PODCTD3526



For Anand and Ponnappan
Chartered Accountants

FRN000111S

B. Hariharan

B. Hariharan
Partner

Membership No :207896

Annexure - A to the Auditors' Report

Referred to in Paragraph 1 under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of the Company of even dated

Based on the audit procedures performed and information and explanations given to us, we report that:

- i. In respect of the Company's Property, Plant and Equipment,
 - a. The company has maintained proper records showing full particulars with respect to
 - A. Property, Plant and Equipment including quantitative details and situation thereon and relevant details of right-of-use assets;
 - B. Intangible Assets;
 - b. The Company conducts physical verification of its assets annually on a rotational basis, ensuring that all assets are covered over a defined cycle. During the year, management carried out physical verification on a test-check basis at the site of Meja. In our opinion, no significant discrepancies were observed that would require adjustment in the financial statements.
 - c. The company has clear title deeds of immovable properties held in its name;
 - d. During the year, the company has not revalued its Property, Plant and Equipment (Inc. Right to Use assets) or Intangible Assets or both. Accordingly reporting under this clause does not arise.
 - e. The Company does not hold any benami property. Accordingly, reporting under this clause does not arise.
- ii. In respect of the Inventories:
 - a. The company has regular program in physical verification of inventories, which is carried out annually. During the year, the management has formed a technical committee for carrying out the physical verification.

Based on documents and reports made available to us and considering the size and nature of industry, the physical verification conducted by the management and policies adopted thereon are reasonable. However, we have not come across any significant deficiencies (ie., more than 10%) in this regard.



- b. The Company is sanctioned a working capital limit (i.e., both fund and non-fund-based facilities) in excess of Rs.5.00 Crores by the Banks on the basis of the security of current assets and book debts.

In our opinion, the quarterly returns or statements filed by the company with bank agree with books of the accounts.

- iii. During the year, the company has not made any investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms and limited liability partnerships or other parties covered under the register maintained under section 189 of the Companies Act, 2013.

Hence, the reporting under the provisions of clause (iii) (a),(b),(c),(d),(e) and (f) of the order are not applicable.

- iv. The company has complied with the provisions of section 185 and 186 of the Companies Act 2013 in respect of loans granted, investments made and guarantees and securities provided, as applicable.
- v. The company has not accepted any deposits from the public, hence the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Companies Act, 2013 and the rules framed there under, are not applicable.
- vi. The company is maintaining the cost records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act.

We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014, as amended prescribed by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 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. In respect of statutory dues:

- a. The undisputed statutory dues including 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 have not been regularly deposited by the company with the appropriate authorities and there have been serious delays in a large number of cases.

There are outstanding of aforesaid statutory dues as on March 31, 2026 for a period of more than six months from the date they became payable as tabled below:

S. No	Statutory Dues	Amount in Lakhs.
1.	TDS Payment u/s 192 of Income Tax Act, 1961	31.01

- b. There were no dues of GST, Income Tax, value added tax, duty of customs, duty of excise and cess which have not been deposited on account of any dispute except in the cases provided as **Annexure-C**;

viii. We have not come across any transactions that are not recorded in the books of account have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961. Hence, the recording of unrecorded income in the books of accounts does not arise.

ix.

- a. The company has not repaid of loans and interest to bank/lender, as all the credit facilities were continued to be classified as Non-Performing Assets (NPA) by the banks and During the financial year, The National Asset Reconstruction Company Limited (NARCL) has taken over 9 credit facility except ICICI bank and The Management and National Asset Reconstruction Company are in the process of Negotiation. The amount of default of repayment:

Nature of borrowing	Name of the lender	Amount not paid on due date (In lakhs)	Whether the principal or Interest	No of days Delay	Remarks (if any)
Working capital Demand Loan	NARCL	Rs. 4,06,713	Principal & Interest	182	Under the Progress of Negotiation with lender therefore

					the payment is not made.
Working Capital Demand Loan	ICICI BANK	Rs. 2,825.63	Principal & Interest	886	

- b. To the best of our knowledge, the company has not been declared willful defaulter by any bank or financial institution or government or any government authorities.
- c. The company has not availed any term loans from Bank/Financial Institutions during the year. Accordingly, reporting for this clause does not arise.
- d. On overall examination of the financial statements of the company, we report that no funds raised on short term basis have been used for long term purposes by the company.
- e. The Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries or joint ventures.
- f. The Company has not raised loans during the year on the pledge of securities held in its subsidiaries or joint ventures.

x.

- a. The Company has not raised money by way of initial public offer or further public offer (including debt instrument) during the year. Accordingly, reporting under this clause does not arise.
- b. During the year, company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, reporting under this clause is not applicable to the company.

xi. To the best of our knowledge,

- a. No fraud by the company or on the company has been noticed or reported during the year.
- b. No report has been filed by us or cost auditors or secretarial auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government in accordance with



section 143(12) of the Companies Act, 2013 during the year and upto the date of issuance of this report.

- c. As represented to us by the management, there are no whistle blower complaints received by the company during the year.
- xii. The company is not a Nidhi company. Hence, the reporting under the provisions of clause (xii) (a), (b) and (c) of the order are not applicable.
- xiii. In our opinion, all the related party transactions during the financial year are in compliance with Section 177 and 188 of Companies Act, 2013 and the details of the said transactions have been disclosed appropriately in the standalone financial statements in accordance with applicable Ind AS.
- xiv.
- a. In our opinion and based on our examination, the company has an adequate internal audit system commensurate with the size and nature of its business.
- b. We have obtained the internal audit reports for the period under audit on a timely manner and duly considered by us, in determining the nature, timing and extent of our audit procedures.
- xv. According to the information and explanations given to us, in our opinion during the year the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of Section 192 of the Companies Act, 2013 are not applicable to the company.
- xvi. The company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1935.
- Accordingly, the reporting under the provisions of clause (xvi) (b) and (c) of the order does not arise.
- Further, in our opinion, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under this clause is not applicable to the company.
- xvii. The company has incurred any cash losses of Rs. 1,36,019 lakhs in the financial year and Rs. 86,297.84 lakhs in the immediately preceding financial year.



- xviii. There has been no resignation of the statutory auditors during the year and accordingly reporting under this clause does not arise.
- xix. 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 of the company, our knowledge of the Board of Directors and management plans and based on our examination of the supporting evidences and our Material Uncertainty relating to going concern Para in our Independent Audit Report, which causes us to believe that material uncertainty exists as on the date of the audit report that company may not be 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.
- xx. Even though the company is under the obligation to spend amount in accordance with Sec.135 of the Companies Act,2013, the company has continuous net losses during the immediately preceding financial years. Hence the amount required to be spent as per provisions of Sec.135(5) of the Companies Act,2013 is 'Nil'.

Further, in our opinion,

- a. there is no unspent amount in respect of other than ongoing projects, to a Fund specified in Schedule VII to the Companies Act, 2013 till the date of our report.
- b. there are no amount remaining unspent in respect of ongoing projects.
- xxi. The reporting under this clause is not applicable in respect of audit of standalone financial statements. Accordingly, no comment in respect of this clause has been included in this report.

Place: Chennai
Date: 25.05.2026
UDIN: 26207896PODCTD3526



For Anand and Ponnappan
Chartered Accountants

FRN000111S

B. Hariharan
Partner

Membership No :207896

Annexure – B to the Auditors' Report

Referred to in Paragraph 2(f) under "Report on Other Legal and Regulatory Requirements" section of our report to the Members of the Company of even dated.

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 over Financial Reporting of BGR Energy Systems Limited (referred to as the "Company") for the year ended March 31, 2026, in conjunction with our audit of the Standalone Financial Statements of the company.

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 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 over financial reporting 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, including the assessment of the



risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide us for our audit opinion on the company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting 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 control over financial reporting includes those policies and procedures that:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. 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 authorizations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized 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 over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting 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, maintains adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, 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.

**For Anand and Ponnappan
Chartered Accountants**

FRN000111S



B. Hariharan

B. Hariharan

Partner

Membership No :207896

Place: Chennai

Date: 25.05.2026

UDIN: 26207896PODCTD3526

Annexure – C to the Auditors' Report - CARO 2020

Name of the Statute	Nature of Dues	Amount (In Lakhs)		Period to which the amount relates	Forum where dispute is pending	
		Disputed	Deposited			
The Finance Act, 1994	Classification of Erection, Commissioning and Installation Service as works contract service	Service Tax	36,278.75	1,196.29	June 2007 to June 2017	CESTAT, Chennai
		*Interest	47,565.88	-		
		Penalty	12,670.03	-		
	Levy on Bank Charges	Service Tax	384.18	38.41	April 2007 to March 2017	Commissioner of Central Excise (Appeals), Chennai
		*Interest	335.06	-		
		Penalty	123.89	-		
		Service Tax	2.50	0.19	April 2017 to June 2017	
		Interest	-	-		
	Penalty	0.25	-			
	The Employee Provident Fund & Miscellaneous Provisions Act, 1952	Contribution under Sec.7A of the Act	Provident Fund	521.15	100.00	June 2006 to May 2010
Provident Fund			20.79	-	2025	Additional City Civil Court, Chennai
Provident Fund			1.83	-	2024	Civil Court, Kurukshetra



THE RAJASTHAN GOODS AND SERVICES TAX ACT, 2017	Excess ITC claimed	Tax	109.83			2017-18	Additional Commissioner, Jhalawar, Rajasthan
		Interest	3.60				
		Penalty	109.83				
	Excess ITC claimed	Tax	26.31			2019-20	Additional Commissioner, Jhalawar, Rajasthan
		Interest	0.03				
		Penalty	26.31				
Tamil Nadu Goods and Service Tax Act 2017	Mismatch in Turnover, Input Tax Credit & TDS	Tax	9,077.84	-		2018-19	Appellate Deputy Commissioner (ST), GST Appeal- I, Chennai
		Interest	6,411.56	-			
		Penalty	965.79	-			
	Conveyance, Travelling, Agency commission, Exempted TO, CN and Trade payable - 2018- 19	Tax	10,476.34			2018-19	Assistant Commissioner of State Tax, Ponneri
		Interest	9,490.70				
		Penalty	1,047.63				
	Zero rated supplies, exempted sales, Unbilled revenue, ETPS Prov.entry- 2019-20	Tax	18.13			2019-20	Assistant Commissioner of State Tax, Ponneri
		Interest	15.86				
		Penalty	1.81				
	Inward /outward mismatch - 2020-21	Tax	26.50			2020-21	Assistant Commissioner of State Tax, Ponneri
		Interest	21.06				
		Penalty	2.65				
Gujarat Goods and Service Tax Act, 2017	Difference in Tax Liability and ITC Comparison	Tax	37.57	-		2019-20	The Joint Commissioner GST, Vyara Tapi
		Interest	11.27	-			
		Penalty	37.57	-			
	ITC Wrongly Availed	Tax	11.98			2020-21	



	Interest	5.03			The Jurisdictional Appellate Authority, Surat
	Penalty	1.20			
Mismatch in TDS	Tax	154.20			2018-2019, 2022-2023 & 2023-2024
	Interest	137.73			
	Penalty	154.20			
ITC Mismatch	Tax	1,605.68	-		2018-2019, 2019-2020 & 2020-2021
	Interest	-	-		
	Penalty	1,605.68	-		
ITC Mismatch	Tax	165.44			2018-2019
	Interest	165.44			
	Penalty	-			
Interest from Banks	Tax	68.87			2017-18
	Penalty	68.87			
Sum Engg - ineligible credit - vendor not filed 3B	Tax	41.17			2018-19 & 2019-20
	Penalty	41.17			
Excess availment of ITC	Tax	1,019.26			2017-18, 2018-19 & 2019-20
	Penalty	1,019.36			
TRAN-01 Credit Availment - 2017-18	Tax	224.94			2017-18
	Penalty	224.94			
	Tax	10.20			2018-19
	Interest	10.20			



	Mismatch between GSTR1 Vs 3B - 2018-19	Penalty	10.20			Palghar, Maharashtra
Odisha Goods and Service Tax Act 2017	Transitional Credit wrongly availed and Utilised	Tax	650.43			The Commissioner (Appeals), CGST central excise & customs, Bhubaneswar
		Interest	-			
		Penalty	65.04			
	Short paid / Not paid Taxes	Tax	139.45			The Commissioner (Appeals), CGST central excise & customs, Bhubaneswar
		Interest	-			
		Penalty	13.94			
	Wrongly availed & Utilised ITC	Tax	400.76			The Commissioner (Appeals), CGST central excise & customs, Bhubaneswar
		Interest	-			
		Penalty	40.08			
		Tax	929.68			The Commissioner (Appeals), CGST central excise & customs, Bhubaneswar
		Interest	-			
		Penalty	92.97			
	Mismatch of GSTR1 Vs 3B	Tax	1,169.74			The Additional Commissioner, Bhubaneswar III Circle.
	Mismatch of GSTR3B Vs 2A	Tax	408.71			The Principal Commissioner Odisha.
		Penalty	40.87			
	ITC Mismatch	Tax	36.14			The Joint Commissioner (Appeal)
		Penalty	3.69			



The Telengana Goods and Service Tax Act, 2017	Excess Claim of ITC	Tax	17.94				Joint Commissioner Appeal - Hyderabad Telangana
		Interest	-				
		Penalty	1.79				
	Excess Claim of ITC	Tax	21.79				Joint Commissioner Appeal - Hyderabad Telangana
		Interest	-				
		Penalty	2.18				
	Vendors not filed and cancelled - availed ITC	Tax	1.66				Joint Commissioner Appeal - Hyderabad Telangana
		Interest	-				
		Penalty	0.30				
	Excess Claim of ITC	Tax	63.42				Joint Commissioner Appeal - Srinagar Colony
		Interest	-				
		Penalty	6.34				
Uttar Pradesh Goods and Service Tax Act, 2017	Suppression of Turnover, Excess ITC (Unbilled Revenue)	Tax	1,479.55				Joint Commissioner, Kanpur UP
		Interest	1,265.02				
		Penalty	147.96				
	Ineligible & Wrong Availment of ITC	Tax	17.23				Joint Commissioner, Kanpur UP
		Interest	12.59				
		Penalty	2.90				
Chattisgarh Goods and Service Tax Act 2017	Mismatch in ITC availed with respect to inward supply and tax	Tax	1,531.42				The Add. Commissioner (Appeals), State GST, Nava Raipur
		Interest	1,681.12				
		Penalty	153.14				
		Tax	103.85				The Joint Commissioner, RAIPUR
		Interest	64.42				



	paid with respect to outward supply respectively	Penalty	10.38			
The Maharashtra Value Added Tax Act, 2002	Disallowance of Claim of Sale & Purchases	Tax	43.57	43.57	2013-14	The Joint Commissioner of Sales Tax, Appeal V, Mumbai
		Interest	10.29	10.29		
		Tax	16.90	-	2014-15	
		Kerala Value Added Tax Act, 2003	Detention of Goods Transported	Tax	1.44	1.76
Interest	1.21					
Penalty	-					
The Orissa Value Added Tax Act, 2004	Determination of Taxable Turnover	Tax	20.39	-	Oct 2015 to June 2017	The Joint Commissioner Commercial Tax Bhubaneswar Range
		Penalty	20.39	-		
Tamil Nadu General Sales Tax Act, 1959	Determination of Taxable Turnover	Tax	0.11	-	1999-00	Commercial Tax Officer, Tamilnadu
Tamil Nadu Value Added Tax Act, 2006	Disallowance of Input Tax Credit	Tax	31.80	8.00	2011-12	The Honourable Madras High Court, Chennai
		Penalty	15.90	3.59	2012-13	
		Tax	14.36			
		Penalty	7.18			
The Central Sales Tax Act, 1956-Andhra Pradesh	Classification and Levy of higher rate of tax	Tax	39.20	-	1997-98	The Honourable High Court, Andhra Pradesh
		Tax	0.12	-	1998-99	The Commercial Tax Officer, Andhra Pradesh
		Tax	1.45	0.62	2004-05	Sales Tax Appellate Tribunal,
		Penalty	4.13			
		Tax	2.07	1.04	2006-07	



Particulars	Note No.	As at Mar 31, 2026	As at Mar 31, 2025
ASSETS			
I Non Current Assets			
(a) Property, plant and equipment	1	1675	4396
(b) Investment Property	1(a)	200	200
(c) Capital work in progress		41	25
(d) Other Intangible assets	2	8	3
(e) Financial assets			
(i) Investments	3 (a)	35893	36108
(ii) Trade receivables	3 (b)	30816	14633
(iii) Loans	3 (c)	1255	981
		69889	56346
II Current Assets			
(a) Inventories	4	991	1506
(b) Financial assets			
(i) Trade receivables	5 (a)	9424	35724
(ii) Cash and cash equivalents	5 (b)	638	3508
(iii) Bank balance other than (ii) above	5 (b)	2733	2607
(iv) Loans	5 (c)	32593	41644
(v) Other financial assets	5 (d)	7	5
(c) Other current assets	6	307982	321927
III Non-Current assets classified as held for sale		20	20
		354388	406941
TOTAL ASSETS		424277	463287
EQUITY AND LIABILITIES			
I Equity			
(a) Equity Share Capital	7	7216	7216
(b) Other Equity		(267204)	(139324)
Total Equity		(259988)	(132108)
II Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8	450031	43318
(ii) Lease Liabilities	9	-	-
(iii) Trade payables		-	-
Total Outstanding dues of micro enterprises and small enterprises		-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	10	7170	7764
(b) Provisions	11	2003	2191
(c) Deferred tax liabilities (net)	30	-	-
		459204	53273
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	8	2699	303672
(ii) Lease Liabilities	9	726	135
(iii) Trade payables		-	-
Total Outstanding dues of micro enterprises and small enterprises		11210	12182
Total Outstanding dues of creditors other than micro enterprises and small enterprises	10	89027	95506
(iv) Other financial liabilities	12	89417	106511
(b) Other Current Liabilities	13	31024	23938
(c) Provisions	14	958	178
(d) Current tax liabilities (net)		-	-
		225061	542122
Total Liabilities		684265	595395
TOTAL EQUITY AND LIABILITIES		424277	463287

Corporate Overview & Material Accounting Policy Information

L1

Notes to the Standalone Financial Statements

L-93

The accompanying notes are integral part of these Standalone Financial Statements

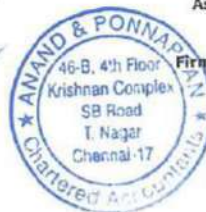
For and on behalf of Board of Directors

R. Vin Gopal

ARJUN GOVIND RAGUPATHY
Managing Director
DIN : 02700864

[Signature]

K.MEYYANATHAN
Independent Director
DIN : 07845698



As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 00011115

[Signature]

B HARIHARAN
Partner
Membership No. 207896

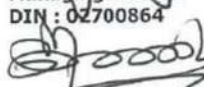
[Signature]
SUNDAR SRINIVASAN
Company Secretary & Chief Financial Officer

Chennai
May 25, 2026

BGR ENERGY SYSTEMS LIMITED

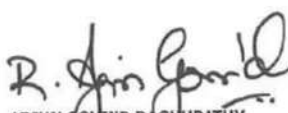
Standalone Statement of Profit and Loss for the year ended 31.03.2026

Rs.Lakhs

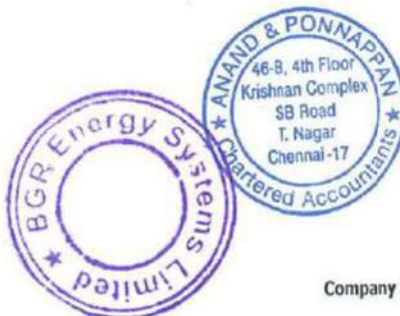
Particulars		Note No.	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
I Revenue from operations		15	29969	45119
II Other income		16	12290	18925
III Total Income (I + II)			42259	64044
IV Expenses				
(a) Cost of raw materials and components consumed		17	43611	52165
(b) Cost of manufacturing and construction		18	16452	9317
(c) Other direct costs		19	366	313
(d) Changes in inventories of work in progress			-	-
(e) Employee benefits expenses		20	5321	4697
(f) Finance costs		21	82527	59957
(g) Depreciation and amortization expenses		22	1093	1292
(h) Other expenses		23	20871	33944
Total expenses (IV)			170241	161685
V Profit/(Loss) before exceptional items and tax (III-IV)			(127982)	(97641)
VI Exceptional items			-	464
VII Profit/(Loss) before tax (V)+(VI)			(127982)	(98105)
VIII Tax expenses				
(i) Current tax			-	-
(ii) Deferred tax			-	-
IX Profit/(Loss) for the year(VII)-(VIII)			(127982)	(98105)
X Other Comprehensive Income		25		
(i) items that will not be reclassified to profit or loss (net)			102	344
(ii) items that will be reclassified to profit or loss (net)			-	-
Total Comprehensive Income for the year (IX+X) (Comprising Profit and other Comprehensive Income for the year)			(127880)	(97761)
XI				
XII Earnings per Equity Share :		26		
1.Basic (Rs.)			(177.35)	(135.95)
2.Diluted (Rs.)			(177.35)	(135.95)
Corporate Overview & Material Accounting Policy information		1.1		
Notes to the Standalone Financial Statements		1-53		
The accompanying notes are integral part of these Standalone Financial Statements				
For and on behalf of Board of Directors				
 ARJUN GOVIND RAGHUPATHY Managing Director DIN : 02700864				As per our report of even date For Anand & Ponnappan Chartered Accountants Firm Registration No. : 000111S  B HARIHARAN Partner Membership No.207896
 K.MEYYANATHAN Independent Director DIN : 07845698		 SUNDAR SRINIVASAN Company Secretary & Chief Financial Officer Chennai May 25,2026		

BGR ENERGY SYSTEMS LIMITED		Rs.Lakhs	
Standalone Statement of Cash Flows for the year ended 31.03.2026			
S.No	Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
A	CASH FLOW FROM OPERATING ACTIVITIES		
	Net profit before tax	(127982)	(98105)
	Adjustments for :		
	Depreciation and amortization expenses	1093	1292
	Dividend from investments - quoted	(4)	-
	(Profit) / Loss on sale of Property, plant and equipment (net)	2522	(89)
	Net gain on sale of investment	-	-
	Provision for Warranty	23	(24)
	Provision for Assets	1,642	-
	Provision for Gratuity	673	-
	Provision for ECL on Trade Receivables	(110)	(519)
	Provision for ECL on Contract Asset	7	11494
	Provision no longer required	(4001)	-
	Liquidated damages & Assets write off	11,336	-
	Other Comprehensive Income	-	-
	Finance Costs	82527	59957
		95708	72111
	Operating profit before working capital changes	(32274)	(25994)
	Changes in working capital		
	(Increase) / decrease in trade receivables	(1109)	20758
	(Increase) / decrease in inventories	515	2830
	(Increase) / decrease in current assets	13575	(69743)
	(Increase) / decrease in loans and advances	5932	1060
	Increase / (decrease) in trade payables and provisions	9957	(115174)
		28869	(160268)
	Cash generated from operations	(3405)	(186262)
	Direct taxes (paid) / refund (net)	1203	389
	Net cash flow from operating activities	(2202)	(185873)
B	CASH FLOW FROM INVESTING ACTIVITIES		
	Purchase of Property, plant and equipment	(52)	(7)
	Increase/Decrease in Capital WIP	(16)	-
	Sale of Property, plant and equipment	15	166
	Sale of quoted Investment	241	-
	Dividend from investments - quoted	4	-
	Increase in Market value of Investments	-	-
	Net cash flow from investing activities	192	159
C	CASH FLOW FROM FINANCING ACTIVITIES		
	Long term borrowings (repaid) / availed	-	105
	Short term borrowings (repaid) / availed	-	206038
	Interest paid	(690)	(17804)
	Payment of lease obligations	(170)	-
	Net cash flow from financing activities	(860)	188339
	Net increase/(decrease) in cash and cash equivalents (A+B+C)	(2870)	2625
	Cash and cash equivalents as at April 1, 2025	3508	883
	Cash and cash equivalents as at Mar 31, 2026	638	3508
	Cash on hand	1	2
	On current accounts	637	3506
	On deposit accounts	-	-

For and on behalf of Board of Directors


ARJUN GOVIND RAGHUPATHY
 Managing Director
 DIN : 02700864

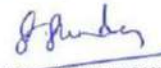

K. MEYYANATHAN
 Independent Director
 DIN : 07845698



As per our report of even date
 For Anand & Ponnappan
 Chartered Accountants
 Firm Registration No. : 000111S



B HARIHARAN
 Partner
 Membership No.207896


SUNDAR SRINIVASAN
 Company Secretary & Chief Financial Officer

Chennai
 May 25, 2026

Statement of Changes in Equity (2025-26)		Particulars	Equity Share Capital	Other Equity					
S.No	Securities Premium			General Reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Other Items of Other Comprehensive Income	Total (25-26)
1	Balance at the beginning of reporting Period (01.04.2025)	7216	31895	14427	(186151)	469	(554)	591	(132108)
2	Profit for the year				(127992)				(127992)
3	Equity Instruments through Other Comprehensive Income					28			28
4	Effective Portion of Cash Flow Hedges						-		-
5	Remeasurement of net defined benefit liability/asset (net)							74	74
6	Transfer to General Reserve			-			-		-
7	Dividend								-
8	Any other Change								-
9	Balance at the end of reporting Period (31.03.2026)	7216	31895	14427	(314133)	497	(554)	655	(259988)

Statement of Changes in Equity (2024-25)

Statement of Changes in Equity (2024-25)									
S.No	Particulars	Equity Share Capital	Other Equity					Total (24-25)	
			Securities Premium	General Reserves	Retained Earnings	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges		Other Items of Other Comprehensive Income
1	Balance at the beginning of reporting Period (01.04.2024)	7216	31895	14427	(88047)	126	(554)	591	(34347)
2	Profit for the year				(98105)				(98105)
3	Equity Instruments through Other Comprehensive Income					344			344
4	Effective Portion of Cash Flow Hedges						-		-
5	Remeasurement of net defined benefit Liability/Asset (net)							-	-
6	Transfer to General Reserve			-	-				-
7	Dividend								-
8	Any other Change								-
9	Balance at the end of reporting Period (31.03.2025)	7216	31895	14427	(186151)	469	(554)	591	(132108)

For and on behalf of Board of Directors

Dr. J. S. Govind
ARJUN GOVIND RAGHUPATHY
Managing Director
PIN : 02700864


K. S. YANATHAN
Independent Director
DIN : 07845698

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 0001111S

Chartered Accountants
Firm Registration No. : 0001115
B. Hariharan
B HARIHARAN
partner
Membership No. 207896

SUNDAR SRINIVASAN
Company Secretary & Chief Financial Officer

Chennai
May 25, 2026



BGR ENERGY SYSTEMS LIMITED

1.1. Notes to the Standalone Financial Statements

A. COMPANY OVERVIEW

BGR Energy Systems Limited ('the Company') is a public limited company incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The Company is a manufacturer of capital equipment for Power Plants, Petrochemical Industries, Refineries, Process Industries and undertakes turnkey Balance of Plant ('BOP') and Engineering Procurement and Construction ('EPC') contracts for Power plants. The Company has been achieving its objectives through its five business units: Power projects, Electrical projects, Oil and Gas equipment, Environmental engineering and Air Fin Coolers.

The standalone financial statements for the year ended March 31, 2026 were approved by the Board of Directors and authorised for issue on 25.05.2026

B. BASIS OF PREPARATION

i) Statement of Compliance

The financial 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 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company adopted Ind AS from 1st April 2015. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use.

ii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the applications of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below:

- a. Recognition of revenue
- b. Recognition of deferred tax asset : availability of future taxable profit
- c. Measurement of defined benefit obligations: Key actuarial assumptions
- d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- e. Estimation of useful life of property, plant and equipment and intangible assets
- f. Estimation of current tax expense and payable
- g. Estimation on assessing the Lease term as the non-cancellable period of a lease including anticipated renewals and the applicable discount rate.

Accounting estimates are reviewed on an on-going basis from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which change are made and, if material, their effects are disclosed in the notes to the financial statements.

iii) 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 Company operates ('the functional currency').

The financial statements are presented in Indian Rupee (INR), which is Company's functional and presentation currency.

The Standalone Financial Statements are presented in Indian Currency which is also the Company's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated along with the comparative figures for the previous year ended.



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iv) Measurement of fair values

A number of the Company's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Company has an established control framework with respect to the measurement of fair values.

Fair value categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. prices) or indirectly (i.e. derived from prices)

Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is 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.

The Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair values are included in fair value measurement forming part of notes to accounts.

v) Current versus 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:

1. Expected to be realised or intended to be sold or consumed in normal operating cycle, or
2. Held primarily for the purpose of trading, or
3. Expected to be realised within twelve months after the reporting period, or
4. 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:

1. It is expected to be settled in normal operating cycle, or
2. It is held primarily for the purpose of trading, or
3. It is due to be settled within twelve months after the reporting period, or
4. 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 realisation in cash and cash equivalents. The Company has identified project life as its operating cycle for construction contracts and twelve months for Capital goods segment .

Operating cycle for the business activities of the Company covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention money) within the agreed credit period normally applicable to the respective lines of business.



C.MATERIAL ACCOUNTING POLICIES INFORMATION

i) Property, Plant and Equipment

a) Recognition & Measurement

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase cost, including import duties and non - refundable taxes or levies and any directly attributable cost to bring the item to working condition as intended by management. Further, any trade discounts and rebates are deducted. Any gain or loss on disposal of property, plant and equipment is recognised as profit or loss.

b) Subsequent Recognition

Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

c) Depreciation

The Company depreciates the property, plant and equipment based on the of the useful life prescribed under Part C of Schedule II of the Companies Act, 2013 using Straight-line method. Freehold land is not depreciated. The useful life of the property, plant and equipment are as follows

Assets	Estimate of Useful Life in Years
Tangible Assets	
Buildings	30
Furniture & Fixtures	10
Plant & Equipment *	7.50-15
Office Fixtures	5
Office equipments	3, 5
Electrical Installations	10
Vehicles	8

*The Management believes that the useful lives as given above best represents the period over which Management expects to use these assets, which are different from the useful lives prescribed in the Schedule-II of the Companies Act,2013.

Assets costing not more than Rs.5000/- unit is expensed in the profit and loss account in the year in which there purchased.

d) Capital Work-in-progress

Capital Work-In Progress includes cost of property, plant and equipment under installation/under developments as at the Balance Sheet date.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress" at cost, less impairment losses, if any.

e) Transition to Ind AS

On transition to Ind AS, the Company has decided to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such property, plant and equipment.



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ii) Intangible Assets

a) Recognition & Measurement

Intangible assets are stated at cost, less accumulated amortisation and impairment losses, if any.

b) Subsequent Recognition

Expenditure is capitalised only if it increases the future economic benefits embodied in the related specific asset. All other expenditure is recognised in profit or loss as incurred.

c) Amortisation

The Company amortises the intangible assets over the estimated useful life made by the Management using Straight-line method, and is included in Depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful life of the intangible assets are as follows

Intangible Assets	
Asset	Estimate of Useful Life in Years
Technical Know-How	6
Softwares	5

d) Transition to Ind AS

On transition to Ind AS, the Company has decided to continue with the carrying value of all its Intangible asset recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such Intangible asset.

iii) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to Initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Part C of Schedule II to Companies Act 2013.

Investment properties are de-recognised either on disposal or on permanent withdrawal from use. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

iv) Leases

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. The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Company's lease asset classes primarily consist of leases for land and buildings

a) Recognition & Measurement

The Company recognizes a right of use (ROU) asset and a corresponding lease liability, at the date of commencement of the lease. The Company recognize ROU asset and lease liability for all lease arrangements except for leases with a term of 12 months or less (Short Term Lease) and low value leases.



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The ROU assets are initially recognized at cost which is the initial measurement of lease liability adjusted for any lease payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives.

The Lease Liability is recognized at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments discounted using the company's incremental borrowing rate.

In cases of short-term leases 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.

b) Subsequent Recognition

The ROU assets are subsequently measured at cost less accumulated depreciation, impairment loss, if any and adjusted for any re-measurement of the lease liability.

The lease liabilities are subsequently measured by adding interest on lease liability to the carrying value, reducing the lease payments made to the carrying value and adjusting any reassessment or lease modification to the carrying value.

c) Amortization

The 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 lease assets.

d) Impairment

The ROU assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable and impairment loss, if any, is recognized in the statement of profit and loss.

The lease liability has been separately presented in the Balance Sheet. The ROU assets have been classified under Property, Plant and Equipment. In the statement of cash flow, the lease payments, which comprises of principal payment of lease liability and interest thereon, have been classified under financing activities. The Lease payment on account of Short-Term Leases or low value lease have been classified under operating activities

v) Inventories

Raw materials, Components, Stores and Spares, work-in-progress and Finished Goods are valued at lower of cost and net realizable value. Cost of inventories is determined on a weighted average basis. Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw-materials, Components and other supplies are considered to be realizable at cost if the finished products, in which they will be used are expected to be sold at or above cost

In the case of manufactured inventory, cost includes an appropriate share of fixed production overhead based on normal operating capacity.

vi) Foreign currency transactions

Transactions in foreign currencies are recorded in the functional currency at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on the historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the profit or loss.



8.8

vii) Employee benefits

a) Short-term employee benefits :

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which related services are rendered.

b) Post employment benefits:

i) Defined contribution plan:

Company's contributions paid/payable during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss.

ii) Defined benefit plan:

Company's liability towards gratuity in accordance with the Payment of Gratuity Act, 1972 is determined based on actuarial valuation using the Projected Unit Credit Method as at the reporting date. The company contributes all the ascertained liabilities to SBI Life Insurance which administers the contributions and makes the payment at retirement, death, incapacitation or termination of employment.

c) Other Long-term employee benefits:

The Company provides for compensated absences subject to certain rules. The employees are entitled to accumulate such absences for availment as well as encashment. As per the regular past practice followed by the employees, it is not expected that the entire accumulated absence shall be encashed or availed by the employees during the next twelve months and accordingly the benefit is treated as other long-term employee benefits. The liability is recognized on the basis of the present value of the future benefit obligations as determined by actuarial valuation.

d) All actuarial gains/losses in respect of post employment benefits are charged to Other Comprehensive Income.

viii) Financial instruments

a. Recognition and initial measurement

Trade receivables are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instruments.

The Company measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

b. Financial assets - Classification

On initial recognition, a financial asset is classified as, measured at

1. Amortised cost;
2. Fair value through other comprehensive income (FVOCI) - debt instrument;
3. Fair value through other comprehensive income (FVOCI) - equity instrument;
4. Fair value through profit and loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

c. Financial assets - Measurement

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. 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.



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A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

On initial recognition, the Company may irrevocably designate a financial asset as measured at FVTPL if doing so eliminates or significantly reduces accounting mismatch that would otherwise arise from recognising them as measured at amortised cost or at FVOCI.

d. Financial assets - Derecognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which subsequently all of the risk and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transaction whereby it transfers asset recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

e. Financial liabilities - Classification

Financial liabilities are classified as measured at amortised cost or FVTPL. 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.

f. Financial liabilities - Measurement

Financial liabilities measured at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

g. Financial liabilities - Derecognition

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Company also derecognises a financial liability when its term are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognised at fair value. Any gain or loss on derecognition in these cases, shall be recognised in profit or loss.

h. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently 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.



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ix) Investments in subsidiaries and joint venture

Investment in subsidiaries and joint ventures are carried at cost less accumulated impairment (ie., permanent diminution in value), if any in the financial statements.

x) Cash flow hedge

The Company designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions.

When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Statement of Profit and Loss.

xi) Impairment

a. Financial assets

The Company recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair value through profit or loss. Loss allowance for trade receivables and contract assets with no significant financing component is measured at an amount equal to lifetime ECL. The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b. Non-financial assets (Intangible assets and property, plant and equipment)

Intangible assets and property, plant and equipment 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. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xii) Provisions (other than for employee benefits)

a) A Provision is recognised if, as a result of a past event, the Company has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

b) Provision for contractual obligation has been provided for in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

c) The Company makes provision towards warranty obligation arising under the contract, while progressively recognising the revenue, based on management estimate and past experience of similar contracts. Such provision is maintained until the warranty period is completed. The unutilised provision if any, is reversed on expiry of the warranty period.



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xiii) Revenue

The company has adopted Ind AS 115 'Revenue from Contracts with Customers' to recognise the income arising from specific contract with customer.

a) Sale of goods and services - Performance obligation at a point in time

Revenue from the sale of goods in the course of ordinary activities is measured at the transaction price of the consideration received or receivable, net of returns, trade discounts. Revenue is recognised on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.

Revenue from services is recognized in accordance with the specific terms of contract on performance.

Other operating revenue includes scrap sale, interest income on margin money deposits etc. arising out of and incidental to the principal operation. The entire income under other operating revenue is recognised on accrual basis except in the case of interest income which is recognised using effective rate of interest method.

b) Construction contracts - Performance obligation over time

The Company uses the 'percentage of completion method' to determine the appropriate amount to recognise revenue in a given period. The stage of completion is measured by reference to the contract costs incurred upto the end of the reporting period as percentage of total estimated costs for each contract. Expected loss, if any, on the construction / project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included is taken into consideration. In respect of construction contracts, revenue includes variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

c) Other Income

Other income is comprised primarily of dividend income and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities.

Dividend income: Dividend income is recognised in profit or loss on the date on which the Company's right to receive payments is established.

Others: Any other income is recognised only on accrual basis.

xiv) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income.

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended realise the asset and settle the liability on a net basis or simultaneously.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose. Deferred tax is recognised in respect of carried forward losses and tax credits. Deferred tax also not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of transaction.



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Deferred tax assets and liabilities are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

xv) Segment Reporting

a) Segment 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.

b) Identification of segments:

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 assesses the financial performance and position of the Company and makes strategic decisions.

c) Segment Revenue and Segment Result:

Segment revenue includes revenue from operations and other income directly identifiable with / allocable to the segment. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Revenue and expenses which relate to the Company as a whole and are not allocable to a segment on a reasonable basis have been disclosed as unallocable.

d) Segment Assets and Liabilities:

Segment assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

xvi) Statement of Cash flows

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

Statement of Cash flows are prepared using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

xvii) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

xviii) Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company' Board of Directors.



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xix) Earnings per share

a. Basic earning per share

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Company
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares

b. Diluted earnings per share

Diluted earning per share adjusts the figures used in the determination of basic earnings per share to take into account:

- i. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- ii. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares

xx) Contingent liabilities

The company recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions is fulfilled:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- b) a present obligation that arises from past events but is not recognized because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

xxi) Contingent Assets

Contingent assets has to be recognised in the financial statements in the period in which it is virtually certain that an inflow of economic benefits will arise.

xxii) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period , the impact of such events is adjusted within the standalone financial statements .Otherwise events after the balance sheet date of materials size or nature are only disclosed.



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1 Property, plant and equipment

Particulars	Land	Building	Plant and Equipment	Right of Use Asset	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2025	294	676	20590	387	341	7	103	84	344	22825
Additions		18	2	761			23			803
Retirement			19218		337	4	81	84	287	20011
Impairment										-
Disposals			88				20		25	133
At 31 Mar 2026	294	694	1285	1148	4	3	26	-	32	3484
Depreciation and impairment										
At 1 April 2025	-	344	17055	265	293	7	82	70	312	18428
Depreciation and Impairment charge for the year	-	17	873	160	15		8	5	13	1091
Retirement			16864		288	4	86	75	271	17588
Disposals			81		17				24	122
At 31 Mar 2026	-	361	983	425	3	3	4	-	30	1808
Net book value										
At 31 Mar 2026	294	333	303	723	1	-	22	-	2	1676
At 31 Mar 2025	294	332	3535	122	48	-	22	14	32	4396

The fair value of Immovable properties is approximately equivalent to its carrying value. The Company has clear title for all the immovable properties held in its name.

2 Intangible assets

Rs. Lakhs

Particulars	Technical Knowhow	Software	Total
Cost or valuation			
At 1 April 2025	1348	2110	3458
Additions	-	10	10
Disposals	-	5	5
At 31 Mar 2026	1348	2115	3463
Amortisation and impairment			
At 1 April 2025	1348	2107	3455
Amortisation	-	2	2
Disposals	-	2	2
At 31 Mar 2026	1348	2107	3455
Net book value			
At 31 Mar 2026	-	8	8
At 31 Mar 2025	-	3	3



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1(a) Investment property

Particulars	Rs Lakhs
I. Gross carrying amount	
Balance as at 1 April, 2024	200
Additions for the year	-
Disposals or classified as held for sale	-
Balance as at 31 March, 2025	200
Additions for the year	-
Disposals or classified as held for sale	-
Balance as at 31 March 2026	200
II. Accumulated depreciation and impairment	
Balance as at 1 April, 2024	-
Amortisation expense for the year	-
Disposals or classified as held for sale	-
Balance as at 31 March, 2025	-
Amortisation expense for the year	-
Disposals or classified as held for sale	-
Balance as at 31 March 2026	-
Carrying amount	
Balance at March 31, 2025	200
Balance at March 31, 2026	200
Fair value	
Balance at March 31, 2025	182
Balance at March 31, 2026 *	182

A. Measurement of fair values

The fair value of the investment property as at 31 March 2026 has been estimated by the management with reference to the Government Guideline Value of comparable properties situated in the same locality, after considering the nature, location and characteristics of the property. No independent valuation has been obtained.

Management believes that the Guideline Value of comparable properties provides a reasonable basis for estimating the fair value of the investment property for disclosure purposes. However, the actual market value may differ from the disclosed amount depending upon prevailing market conditions and the terms of any future transaction.

B. Valuation technique

Fair value hierarchy:

Level 2 – The valuation is based on observable market inputs, including Government Guideline Values of comparable properties in the same area, with appropriate adjustments where considered necessary

* As at 31.03.2026, the Company has not disclosed the fair value of Land at Aherwadi village solapur as management has been unable to determine the fair value reliably due to the absence of sufficient observable market inputs and comparable market transactions for similar properties and the significant estimation uncertainty associated with the applicable of valuation techniques under Ind AS 113. Accordingly the management is of the view that a reliable estimate of the fair value of such investment property is not disclosed as at reporting date.



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1 Property, plant and equipment

Rs.Lakhs

Particulars	Land	Building	Plant and Equipment	Right of Use Asset	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2024	294	676	21223	387	341	7	103	94	497	23622
Additions	-	-	0.36	-	-	-	3	-	-	4
Retirement	-	-	634	-	-	-	4	10	153	801
Impairment	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 Mar 2025	294	676	20590	387	341	7	103	84	344	22825
Depreciation and impairment										
At 1 April 2024	-	326	16607	76	271	7	76	70	420	17853
Depreciation and Impairment charge for the year		18	1014	189	22	-	8	8	32	1292
Retirement		-	566	-	0	-	2	8	140	717
Disposals		-	-	-	-	-	-	-	-	-
At 31 Mar 2025	-	344	17055	265	293	7	82	70	312	18428
Net book value										
At 31 Mar 2025	294	332	3535	122	48	-	22	14	32	4396
At 31 Mar 2024	294	350	4616	311	70	-	27	24	77	5769

The fair value of Immovable properties is approximately equivalent to its carrying value. The Company has clear title for all the immovable properties held in its name.

2 Intangible assets

Rs.Lakhs

Particulars	Technical Knowhow	Software	Total
Cost or valuation			
At 1 April 2024	1348	2106	3454
Additions	-	4	4
Disposals	-	-	-
At 31 Mar 2025	1348	2110	3458
Amortisation and impairment			
At 1 April 2024	1348	2106	3454
Amortisation	-	1	1
Disposals	-	-	-
At 31 Mar 2025	1348	2107	3455
Net book value			
At 31 Mar 2025	-	3	3
At 31 Mar 2024	-	-	-



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3 Financial Assets

3 (a) Investments

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Investments at Cost		
Investments in Equity instruments of Subsidiaries		
Unquoted equity shares		
9,49,00,000 BGR Boilers Private Limited (9,49,00,000) of Rs. 10 each (India)	9490	9490
13,61,62,900 BGR Turbines Company Private Limited (13,61,62,900) of Rs. 10 each (India)	13616	13616
1,65,000 Sravanaa Properties Limited (1,65,000) of Rs. 10 each (India)	12787	12787
Total Investments carried at cost (A)	35893	35893
Investments at fair value through OCI (fully paid)		
Quoted equity shares		
13,970 Indian Bank (13,970) of Rs.91 per share (Face value Rs.10)	-	77
Quoted Investments in Mutual Funds		
50,000 SBI Mutual Fund-Magnum Multi Cap Fund - Dividend (50,000) units	-	23
2,50,000 SBI Mutual Fund-Infrastructure Fund - I - Growth (2,50,000) units	-	115
Investments carried at fair value through Other Comprehensive Income (B)	-	215
Total Investments	35893	36108

Current	-	-
Non-Current	35893	36108

Aggregate cost of quoted investments	-	43
Aggregate market value of quoted investments	-	215
Aggregate value of unquoted investments	35893	35893

Information about subsidiaries and joint ventures

The separate financial statements of the Company includes below mentioned subsidiaries and joint venture



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Subsidiary Companies

Name	Principal place of business	Method used for measurement	Extent of holding (%)	
			As at Mar 31, 2026	As at Mar 31, 2025
i. BGR Boilers Private Limited	Chennai, India	Carried at Cost	70%	70%
ii. BGR Turbines Company Private Limited	Chennai, India	Carried at Cost	74%	74%
iii. Sravanaa Properties Limited	Chennai, India	Carried at Cost	100%	100%

3 (b) Trade receivables - Non current
Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured	-	-
- From related parties	-	-
- From Others	31606	15008
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	31606	15008
Less: Allowance for Credit Loss	(790)	(375)
Total Trade receivables	30816	14633

3 (c) Loans - Non current
Rs.Lakhs

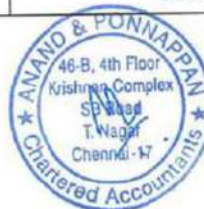
Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Loans considered good - secured	-	-
Loans considered good - unsecured	-	-
- Deposits	594	576
- Other loans and advances	728	405
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
	1322	981
Less: Allowance for Credit Loss	(67)	-
Total loans	1255	981

4 Inventories
Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Raw materials and components	991	1506
Work-in-progress	-	-
Total Inventories	991	1506



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5 Financial Assets
5 (a) Trade receivables

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Trade Receivables considered good - Secured	-	-
Trade Receivables considered good - Unsecured		
- From related parties	1518	1518
- From Others	8696	35671
Trade Receivables which have significant increase in credit risk	-	-
Trade Receivables - credit impaired	-	-
	10214	37189
Less: Allowance for Credit Loss	(790)	(1465)
Total Trade receivables	9424	35724

Ageing of Trade Receivables as on 31.03.2026

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	2,751	6,735	3,067	2,530	14,490	29,573
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Sub Total (a)	2,751	6,735	3,067	2,530	14,490	29,573
4	Disputed Trade Receivables - Considered Good	2,389	2,977	1,772	2,443	2,666	12,247
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Sub Total (b)	2,389	2,977	1,772	2,443	2,666	12,247
7	Grand Total (a+b)	5140	9712	4839	4973	17156	41820
8	Less: Allowance for Credit Loss						(1,580)
9	Net Total						40,240

Ageing of Trade Receivables as on 31.03.2025

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	4813	2465	4181	5450	35288	52197
2	Undisputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
3	Sub Total (a)	4813	2465	4181	5450	35288	52197
4	Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
5	Disputed Trade Receivables - which have significant increase in credit risk	-	-	-	-	-	-
6	Sub Total (b)	-	-	-	-	-	-
7	Grand Total (a+b)	4813	2465	4181	5450	35288	52197
8	Less: Allowance for Credit Loss						(1,840)
9	Net Total						50357



5 (b) Cash and Bank Balances

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Cash and Cash equivalents		
Balances with banks:		
– On current accounts	637	3506
– On deposits accounts	-	-
Cash on hand	1	2
Total Cash and cash equivalents	638	3508
Margin money deposits held under lien to banks	2733	2607
Total Bank Balances other than Cash and Cash Equivalents	2733	2607
Total Cash and Bank Balances	3371	6115

5 (c) Loans

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Loans considered good - secured	-	-
Loans considered good - unsecured		
- Advance to related party	-	-
- Other loans and advances *	33022	40452
- Deposits	1215	1192
Loans which have significant increase in credit risk	-	-
Loans - credit impaired	-	-
Less: Allowance for Credit Loss	(1644)	
Total loans	32593	41644

* Includes employee loans, travel advances, prepaid expenses, DGFT refund, GST credit and VAT refunds.

5 (d) Other Financial Assets

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Interest accrued on fixed deposits	7	5
Sub Total	7	5

6 Other Current Assets

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Advances other than capital advances		
Advance to suppliers	17142	33064
Others *	97427	97424
Prepayments	180	224
Contract asset **	199503	197152
Sub Total	314252	327864
Less : Allowance for Credit Loss on Contract Asset	(3950)	(3943)
Less : Provision for retention	(2320)	(1994)
Total Other Current Assets	307982	321927

*Represents bank guarantees encashed by clients amounting to Rs.94810 lakhs, ITC adjustment of GST valuing to Rs.1515 lakhs and Lara insurance claim receivable valuing to Rs.1102 lakhs.

** Contract Assets includes Retention money of Rs.122930 Lakhs (Rs.120103 Lakhs).



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7 Equity Share Capital

Authorised Share Capital

Rs.Lakhs

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Share Capital at the beginning of the year (Face value Rs.10 each)	1,70,00,00,000	170000	10,00,00,000	10000
Increase / (Decrease) during the year	(1,60,00,00,000)	(1,60,000)	1,60,00,00,000	160000
Share Capital at the end of the year	10,00,00,000	10000	1,70,00,00,000	170000

Issued, Subscribed and Paid-up Share Capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Issued, Subscribed and Paid-up Share Capital	7,21,61,560	7216	7,21,61,560	7216

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of Shares	Amount	No. of Shares	Amount
Outstanding at the beginning of the year	7,21,61,560	7216	7,21,61,560	7216
Issued during the year	-	-	-	-
Outstanding at the end of the year	7,21,61,560	7216	7,21,61,560	7216

b. Details of shareholders holding more than 5% shares in the company

Particulars	As at March 31, 2026			As at March 31, 2025		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
BGR Investment Holdings Company Limited	3,68,02,400	51.00	-	3,68,02,400	51.00	-

c. Details of shareholdings held by promoters

Particulars	As at March 31, 2026			As at March 31, 2025		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
Mrs. Sasikala Raghupathy	2,100	0.003	-	-	-	-
BGR Investment Holdings Company Limited	3,68,02,400	51.00	-	3,68,02,400	51.00	-
Mr. Arjun Govind Raghupathy	2,220	0.003	-	4,320	0.01	-

d. Terms/rights attached to equity shares

The Company has one class of shares referred to as equity shares having a Face value of Rs 10. Each holder of equity shares is entitled to one vote per share.



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8 Borrowings

	Rs.Lakhs	
Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Unsecured		
Unsecured Loan from related parties	43318	43318
Unsecured Loan from Others	-	-
Secured		
Loans from NARCL	406713	-
Borrowings (Non Current)	450031	43318
Working capital loans from banks	2699	303672
Borrowings (Current)	2699	303672
Total Borrowings	452730	346990

a) The balance in project specific escrow,current and EEFC accounts have been netted off against respective project's working capital loan accounts.

b) The Company has availed working capital loan from State Bank of India on sole banking basis for its Product business and project business which have not been specifically funded by other banks. The loan is secured by hypothecation of inventories, trade receivables and movable assets of Product Division viz AFC, ETD, OGED, EED and EPD excluding Project assets specifically charged to the banks / Consortium of banks. The loan from State Bank of India is further secured by first charge on land property at Panjetti Village, Tiruvallur Dist, Tamilnadu and first charge on the fixed assets of the Product Division.

The Loan is further secured by corporate guarantee and collateral of land held by Sravanaa Properties Limited (Subsidiary Company), pledge of shares held by BGR Investment Holdings Company Limited in BGR Energy Systems Limited and the corporate guarantee of BGR Investment Holdings Company Limited.

c) The Company has availed contract specific working capital loans from State Bank of India, IDBI Bank, Punjab National Bank, Canara Bank, Bank of Baroda, Indian Bank, Bank of India, Central Bank of India, Axis Bank, ICICI Bank, Kotak Mahindra Bank Ltd and Union Bank of India. These loans are secured by hypothecation of inventories, trade receivables and movable current assets of the respective contracts. The participating banks share the securities on pari-passu basis.

d) Nine banks, namely State Bank of India, Bank of Baroda, Bank of India, Canara Bank, Central Bank of India, IDBI Bank, Indian Bank, Punjab National Bank, and Union Bank of India, which had extended working capital facilities, assigned their outstanding dues to National Asset Reconstruction Co Ltd (NARCL) pursuant to the Assignment Agreement dated 29.09.2025.

e) Following said assignment, the respective Securities in favour of the consortium bankers have also been transferred in favour of NARCL.

f) The Company has availed unsecured Loans from Related Parties at the interest rate of 9.75% p.a. These loans are repayable on demand subject to approval from Banks. The details of Loan is tabulated below

S.No	Particulars	Rs Lakhs
1	Managing Director	20000
2	BGR IHCL	9607
3	Argo Raiment LLP	7695
4	Arjun Govin Estate Pvt Ltd	6016
	Grand Total	43318

g) 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.



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Financial Liabilities
9 Lease Liabilities

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Lease Liabilities - Non Current	-	-
Lease Liabilities - Current	726	135
Total Lease Liabilities	726	135

10 Trade Payables

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Micro enterprises and small enterprises	11210	12182
Others		
Trade Payables	96197	103270
Total Trade Payables	107407	115452

Trade Payables Current	100237	107688
Trade Payables Non Current	7170	7764

Ageing of Trade Payables as on 31.03.2026

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	4387	1447	1722	4331	11888
2	Others	23854	4508	17490	30497	76349
3	Sub Total	28241	5955	19212	34828	88236
4	MSME - Disputed Dues	76	65	269	1,791	2201
5	Others - Disputed Dues	-	2,059	4,549	10,362	16969
6	Sub Total	76	2,124	4,818	12,153	19170
7	Total	28317	8079	24030	46981	107407

Ageing of Trade Payables as on 31.03.2025

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	3711	2073	796	3947	10527
2	Others	9374	18711	5141	51894	85120
3	Sub Total	13085	20784	5937	55841	95647
4	MSME - Disputed Dues	237	238	90	3055	3620
5	Others - Disputed Dues	2641	4513	973	8058	16185
6	Sub Total	2878	4751	1063	11113	19805
	Total	15963	25535	7000	66954	115452



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Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006.

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the Company, the following are the details:

Particulars	Rs.Lakhs	
	As at Mar 31, 2026	As at Mar 31, 2025
Principal amount remaining unpaid	11210	12182
Interest due thereon remaining unpaid	5952	5952
Payments made to the supplier beyond the appointed day during the year	2722	2186
Interest paid to the supplier	-	-
Interest due and payable for the period of delay in making payment without adding interest specified under this Act.	-	-
Interest accrued and remaining unpaid	5952	5952
Amount of further interest remaining due and payable in succeeding years	-	-

11 Provisions

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Employee benefit obligations		
Provision for leave encashment	36	43
Provision for gratuity	164	368
Provision for contractual obligation	-	-
Provision for warranty	1803	1780
Total Non Current Provisions	2003	2191

12 Other Financial Liabilities

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Current maturities of long-term borrowings	-	-
Advance from customers	54917	38539
Interest accrued*	34500	67972
Total Financial liabilities	89417	106511

* Includes compounding interest on working capital loan amounting to Rs.9 Lakhs (subject to bank confirmation) not debited by bank for the month of Mar'26



13 Other Current Liabilities
Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Other payables *	15544	15434
Contract liability	15480	8504
Total Other Current Liabilities	31024	23938

* Other payables include expenses payable, employee dues, withholding taxes and other statutory dues.

14 Provisions
Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
Employee benefit obligations		
Provision for bonus	15	15
Provision for leave encashment	136	23
Provision for gratuity	807	140
Others		
Provision for warranty	-	-
Total Provisions	958	178

Profit and Loss
15 Revenue from operations
Rs.Lakhs

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Capital goods	3246	10746
Construction and EPC contracts	26024	33836
Other operating revenues		
-Interest on Margin Money Deposits	142	186
-Income from scrap Sales	557	351
Total Other operating revenues	699	537
Total Revenue from operations	29969	45119

Out of the total revenue recognised under Ind AS 115 during the year, Rs.29069 lakhs (previous year Rs.44319 lakhs) is recognised over a period of time and Rs.201 lakhs (Previous year Rs.263 lakhs) is recognised at a point in time.

16 Other income
Rs.Lakhs

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Dividend from investments - quoted	4	-
Others		
Net gain on disposal of property, plant and equipment	-	89
Foreign exchange (net)	5129	-
Income Others	2768	-
Interest Income - Tax Refund	388	389
Provision no longer required/Written back	4001	6850
Contract liability reversal	-	11597
Total Income	12290	18925



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17 Cost of raw material and components consumed**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Opening inventory	1506	4336
(Raw materials, consumables, bought outs and components)		
Add : Purchases	43096	49335
	44602	53671
Less: Closing inventory	991	1506
(Raw materials, consumables, bought outs and components)		
Cost of raw material and components consumed	43611	52165

18 Cost of manufacturing and construction**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Subcontracting and processing charges	16415	9273
Power and fuel	37	44
Cost of manufacturing and construction	16452	9317

19 Other direct cost**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Insurance	366	259
Packing and forwarding	-	54
Other direct cost	366	313

20 Employee benefits expense**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Salaries, allowances and bonus	3988	3830
Contribution to P.F., E.S.I.	161	181
Workmen and staff welfare expenses	364	286
Compensated Absences	135	24
Gratuity	673	376
Employee benefits expense	5321	4697

21 Finance costs**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Interest on working capital loans	16524	51541
Interest on NARCL loans	53220	-
Hedging Premium-Expense	-	-
Interest - others *	12206	7852
Other Finance Charges	577	564
Finance costs	82527	59957

* Includes Interest on Customer Advance, Unsecured Loan from Related Parties and Lease Liability.



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22 Depreciation and amortization expense**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Depreciation of Property, Plant & Equipments (incl. Right to use)	1091	1291
Amortization of intangible assets	2	1
Depreciation and amortization expense	1093	1292

23 Other expenses**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Rent	161	398
Payment to Statutory auditors (refer details below)	50	50
Conveyance and vehicle running expenses	151	189
Liquidated damages	409	-
Trade receivables written off	-	-
Electricity charges	41	81
Foreign exchange (net)	-	343
Insurance	24	25
Loss on sale of Property, Plant and Equipments (net)	2522	-
Miscellaneous expenses	1714	2827
Provision for doubtful debts	-	14820
Printing and Stationery	13	18
Professional charges	1513	1493
Rates and taxes	13462	1189
Repairs and maintenance	421	388
Security charges	179	78
Selling expenses	22	2
Sitting fees	13	13
Telephone expenses	27	28
Travelling expenses	149	95
Contract asset reversal	-	11907
Total Other expenses	20871	33944

Payment to Statutory auditors**Rs.Lakhs**

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
- For audit fees	36	36
- For taxation matters	14	14
- For certification and others	-	-
Total Payment to Statutory Auditors	50	50



S.No	Particulars	2025-26	2024-25
1	Amount required to be spent by the Company during the year	-	-
2	Amount of expenditure incurred	-	-
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reasons for shortfall	-	-
6	Nature of CSR activities	-	-
7	Details of related party transactions., e.g contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	-	-
8	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

There are unspent amount of CSR of Rs.1301 lakhs pertaining to earlier years till 2019-20.

25 Components of Other Comprehensive Income (OCI)

Rs.Lakhs

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Items that will not be reclassified to Profit/Loss		
Remeasurement of net defined benefit Liability/Asset (net)	74	-
Equity Instruments through Other Comprehensive Income (net)	28	344
Items that will be reclassified to Profit/Loss		
Fair value changes on cash flow hedges (net)	-	-
Total Other Comprehensive Income for the Year	102	344

26 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computation :

Rs.Lakhs

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Basic EPS		
Profit after tax as per accounts	(127982)	(98105)
Weighted average number of equity shares (face value Rs.10 per share) (lakh Nos.)	722	722
Basic EPS (Rs.)	(177.35)	(135.95)
Diluted EPS		
Profit for the year for basic EPS	(127982)	(98105)
Less : Adjustment	-	-
Adjusted profit for diluted EPS	(127982)	(98105)
Weighted average number of equity shares for Basic EPS (lakh Nos.)	722	722
Add : Adjustment	-	-
Weighted average number of equity shares (face value Rs.10 per share) for diluted EPS (lakh Nos.)	722	722
Diluted EPS (Rs.)	(177.35)	(135.95)



27 Financial Ratios

Rs.Lakhs

S.No	Ratios	Particulars	Units	2025-26	2024-25	% Inc \ Dec	Reasons
1	Current Ratio	Current Assets / Current Liabilities	Times	1.57	0.75	110%	In spite of significant reduction in Current Asset, the Current ratio has increased due to the reclassification of MARCL borrowings to Non-Current Liability
2	Debt-Equity Ratio	Debt / Total Equity	Times	(1.74)	(2.63)	-34%	Due to current year loss accretion
3	Debt Service Coverage Ratio	EBIDTA / (Interest+Principal)	Times	(0.69)	(0.92)	26%	Interest increase
4	Return on Equity Ratio	PAT / Tangible Networth	%	49.19%	74.00%	34%	Due to current year loss accretion
5	Inventory Turnover	Inventory / COGS * 360	No of Days	6	9	-33%	Due to decrease in turnover
6	Trade Receivables Turnover	Trade Receivables / Turnover * 360	No of Days	483	402	20%	
7	Trade Payables Turnover	Trade Payables / COGS * 360	No of Days	640	673	-5%	
8	Net Capital Turnover Ratio	Turnover / Total Equity	Times	(0.12)	(0.34)	-56%	Due to decrease in turnover
9	Net Profit Ratio	PAT / Turnover	%	-426.71%	-216.67%	-97%	Due to current year loss
10	Return on Capital Employed	PBT / Total Equity	%	49.23%	74.26%	34%	Due to current year loss

28 Construction contracts

In respect of all construction contracts in progress at the end of the year :

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
The aggregate amount of costs incurred and recognized profits (less recognized losses) (including amounts carried forward from previous years)	369674	340480
The amount of advances received	54917	38539
The amount of retentions	122930	120103
The gross amount due from customers for contract work as an asset (unbilled revenue)	76573	77069
The gross amount due to customers for contract work as a liability (unearned revenue)	15480	8504

29 Employee Benefits

As per Ind AS -19 " Employee Benefits", the disclosure of employee benefits are given below:

Defined contribution plan:

Rs.Lakhs

Particulars	2025-26	2024-25
Employer's contribution to Provident fund	88	98
Employer's contribution to pension scheme	57	60
Employer's contribution to employee's state insurance	2	3



Defined benefit plan and other long term employee benefits:**Gratuity plan**

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to fifteen days salary last drawn for each completed year of service. The same is payable on termination of service or retirement whichever is earlier. The benefit vests after five years of continuous service.

Reconciliation of opening and closing balances of the present value of the defined benefit obligation

Rs.Lakhs

Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2026	As of March 31, 2025	As of March 31, 2026	As of March 31, 2025
Projected benefit obligation at the beginning of the year	66	82	540	780
Service cost	-	-	80	43
Interest cost	-	-	35	53
Plan Amendments	-	-	453	-
Remeasurement (gain)/loss	106	(16)	(75)	(336)
Benefits paid	-	-	(50)	(0)
Projected benefit obligation at the end of the year	172	66	982	540

Change in the fair value of the plan assets

Rs.Lakhs

Particulars	Gratuity (funded)	
	As of March 31, 2026	As of March 31, 2025
Fair value of the plan assets at the beginning of the year	35	20
Expected return on plan assets	2	2
Actuarial gain/(loss)	(0.15)	(1)
Employer contribution	25	15
Benefits paid	-	-
Fair value of plan assets at the end of the year	11	35
Actual return on plan asset	1	1

Amount recognised in the Balance sheet

Rs.Lakhs

Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2026	As of March 31, 2025	As of March 31, 2026	As of March 31, 2025
Present value of projected benefit obligation at the end of the year	172	66	982	540
Fair value of plan assets at the end of the year	-	-	11	35
Funded status amount of liability recognised in the Balance Sheet	172	66	971	505
Current Liability	36	22	80	137
Non Current Liability	136	43	891	368



Expense recognised in the Statement of Profit and Loss
Rs.Lakhs

Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	Year ended March 31, 2026	Year ended March 31, 2025	Year ended March 31, 2026	Year ended March 31, 2025
Service cost	-	-	80	43
Interest cost	-	-	35	53
Past Service Cost/Plan Amendment	-	-	453	-
Expected return on plan assets	-	-	(2)	(2)
Actuarial Gain / Loss due to Demographic Assumption changes in Defined Benefit Obligation	-	-	-	-
Actuarial Gain / Loss due to Financial Assumption changes in Defined Benefit Obligation	-	-	(13)	10
Actuarial Gain / Loss due to Experience on Defined Benefit Obligation	-	-	(62)	(346)
Return on Plan Assets (Greater) / Less than Discount Rate	-	-	0.15	1
Total cost recognised in P & L and OCI (Defined Benefit Cost)				
Cost recognised in P & L	-	-	566	94
Remeasurement Effect Recognised in OCI	-	-	(74)	(335)
Total defined Benefit Cost	-	-	492	(240)

Summary of actuarial assumptions
Rs.Lakhs

Particulars	Leave encashment (unfunded)		Gratuity (funded)	
	As of March 31, 2026	As of March 31, 2025	As of March 31, 2026	As of March 31, 2025
Mortality table (LIC)	(Indian assured Lives Mortality) 2006-08	(Indian assured Lives Mortality) 2006-08	(Ultimate) 2006-08	(Ultimate) 2006-08
Discount rate (per annum)	7.13%	6.75%	7.13%	6.75%
Expected rate of return on plan assets (per annum)	-	-	6.75%	6.75%
Rate of escalation in salary (per annum)	3.00%	3.00%	3.00%	3.00%
Attrition	10.00%	10.00%	10.00%	10.00%
Leave accounting & consumption technique	LIFO	LIFO	-	-
Proportion of Leave availment	5.00%	5.00%	-	-
Proportion of encashment in Service / Lapse	-	-	-	-
Proportion of encashment on separation	95.00%	95.00%	-	-

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors. The discount rate has been chosen by reference to market yields on Government bonds. The above information is certified by an actuary.

The overall expected rate of return on assets is determined based on the market prices prevailing on the date applicable to the period over which the obligation is to be settled.



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The expected cash flows over the next few years are as follows :

Year	Rs.Lakhs	
	Leave encashment (unfunded)	Gratuity (funded)
	Amount	Amount
1 year	27	175
2 to 5 years	45	301
6 to 10 years	31	189
More than 10 years	69	318

Plan asset : The Gratuity plan's weighted-average asset allocation at March 31, 2026 and March 31, 2025

Particulars	Rs.Lakhs	
	As of March 31, 2026	As of March 31, 2025
Funds managed by insurers	100%	100%

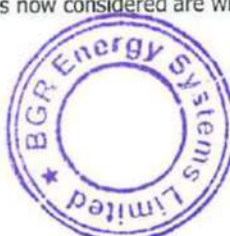
Sensitivity analysis of significant actuarial assumptions

Significant actuarial assumptions for the determination of the defined benefit obligation are discount rate and expected salary increase. The sensitivity analysis below have been determined based on reasonably possible changes of the assumptions occurring at the end of the reporting period, while holding all other assumptions constant. The results of sensitivity analysis is given below

Particulars	Leave encashment	
	As of March 31, 2026	As of March 31, 2025
	% increase in Defined Benefit Obligation	
Discount rate + 100 basis points	-4.41%	-4.16%
Discount rate - 100 basis points	4.86%	4.62%
Salary growth rate + 100 basis points	4.80%	4.54%
Salary growth rate - 100 basis points	-4.42%	-4.16%
Attrition Rate + 100 basis points	0.36%	0.41%
Attrition Rate - 100 basis points	-0.43%	-0.48%
Mortality Rate 10% UP	-0.01%	-0.01%

Particulars	Gratuity	
	As of March 31, 2026	As of March 31, 2025
	% increase in Defined Benefit Obligation	
Discount rate + 100 basis points	-3.37%	-3.67%
Discount rate - 100 basis points	3.70%	4.04%
Salary growth rate + 100 basis points	3.69%	4.02%
Salary growth rate - 100 basis points	-3.41%	-3.71%
Attrition Rate + 100 basis points	0.05%	0.62%
Attrition Rate - 100 basis points	-0.05%	-0.67%
Mortality Rate 10% UP	0.03%	0.02%

While one of the parameters mentioned above is changed by 100 basis points, other parameters are kept unchanged for evaluating the defined benefit obligation. While there is no change in the method used for sensitivity analysis from previous period, the change in assumptions now considered are with reference to the current assumptions.



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30 Deferred taxes

Major components of deferred tax assets and liabilities are as under:

Rs.Lakhs

Particulars	Deferred tax asset as at March 31, 2026	Deferred tax liability as at March 31, 2026	Deferred tax asset as at March 31, 2025	Deferred tax liability as at March 31, 2025
Property, plant and equipment	-	-	-	-
Other Intangibles	-	-	-	-
ECL on Trade Receivables	-	-	-	-
Provisions	-	-	-	-
Customer Retention	-	-	-	-
ECL on Contract Asset	-	-	-	-
Carry forward tax loss	-	-	-	-
Lease Liability (net)	-	-	-	-
Sub Total	-	-	-	-
Net	-	-	-	-

31 Financial Instruments

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2026 were as follows

Rs.Lakhs

Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	638			638	638
Bank balance other than above	2733			2733	2733
Investments:					
Equity Securities and others			-	-	-
Liquid mutual fund units			-	-	-
Trade Receivables	40240			40240	40240
Loans and advances	33848	-		33848	33848
Other Financial Assets	7			7	7
Total	77466	-	-	77466	77466
LIABILITIES					
Borrowings	452730			452730	452730
Other Financial Liabilities	89417			89417	89417
Lease Liabilities	726			726	726
Trade Payables	107407			107407	107407
Total	650280	-	-	650280	650280

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2025 were as follows

Rs.Lakhs

Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	3508			3508	3508
Bank balance other than above	2607			2607	2607
Investments:					
Equity Securities and others			77	13	77
Liquid mutual fund units			138	30	138
Trade Receivables	50357			50357	50357
Loans and advances	42625	-		42625	42625
Other Financial Assets	5			5	5
Total	99102	-	215	99145	99317
LIABILITIES					
Borrowings	346990			346990	346990
Other Financial Liabilities	106511			106511	106511
Lease Liabilities	135			135	135
Trade Payables	115452			115452	115452
Total	569088	-	-	569088	569088



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32 Fair Value Hierarchy

The following table shows the levels in the fair value hierarchy :

Fair Value Measurement at the end of the reporting period	As at Mar 31, 2026	As at Mar 31, 2025
ASSETS		
Investments		
Mutual Fund Investments	Level 1	Level 1
Equity Instruments	Level 1	Level 1

Fair value of mutual fund and equity investments is based on quoted price.

The Management has assessed the fair value of trade receivables, trade payables, cash & cash equivalents, bank balances, bank deposits, loans and advances, bank borrowings, lease liabilities and other financial assets and liabilities approximate their carrying amounts.

33 Risk Management Strategies

Financial risk management:

The Company's activities exposed to market risk, credit risk and liquidity risk. The company's senior management oversees the management of these risks.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The company is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Company's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign currency risk

The Company has entered into various contracts in several currencies and consequently the Company is exposed to foreign exchange risk through its sales, services and purchases from suppliers in various foreign currencies. The Company holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years. The fluctuations in exchange rate may have an impact on Company's operations.

Foreign currency sensitivity



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a. Particulars of unhedged foreign currency exposure are as under :

Rs. in lakhs / Foreign currency in lakhs			
Particulars		As at Mar 31, 2026	As at Mar 31, 2025
Assets (Trade receivables / advance to suppliers / bank balances)			
In foreign currency			
In USD		114.87	158.45
In EURO		195.57	162.30
In GBP		0.01	0.01
In JPY		55.10	55.10
In AED		-	0.03
In Indian currency			
In USD		10873.07	13560.49
In EURO		21318.73	14984.20
In GBP		0.71	0.63
In JPY		32.64	41.32
In AED		-	0.75
Liabilities (Advance from customers/trade payables/buyers credit)			
In foreign currency			
In USD		41.05	55.64
In EURO		3.19	6.32
In GBP		0.14	0.28
In Indian currency			
In USD		3885.35	4761.89
In EURO		347.88	583.92
In GBP		17.76	30.61

An appreciation / depreciation of 0.50 percentage points in exchange rate between the INR and USD, the operating margins at the reporting date (31.03.2026) would have increased / (decreased) equity and profit by Rs.54 Lakhs (Rs.68 Lakhs)

The Sensitivity analysis is computed based on the change in the income and expenses in the foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting and the current reporting period



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b. Particulars of derivative contracts entered into for hedging purpose outstanding are as under:

Particulars	Rs. in lakhs / Foreign currency in lakhs			
	As at Mar 31,2026		As at Mar 31,2025	
	Forex Working Capital Demand Loans	Trade payables	Forex Working Capital Demand	Trade payables
Number of contracts	-	-	-	-
Value in foreign currency				
USD	-	-	-	-
EURO	-	-	-	-
Value in INR	-	-	-	-

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. The Company's exposure to the risk of changes in market interest rates relates to the Company's long-term debt obligations with floating interest rates.

As at the reporting date the Company's interest – bearing financial instruments were as follows:

Particulars	Rs.Lakhs	
	Carrying amount	
	Mar 31, 2026	Mar 31, 2025
Fixed rate instruments		
Financial assets		
Fixed deposits with banks	2733	2607
Financial liabilities		
Unsecured Loan from related parties	43318	43318
Advance from Customers	54917	38539
Variable rate instruments		
Financial liabilities		
Borrowings from NARCL	406713	-
Working Capital Loans	2699	303672

Interest rate sensitivity

Fair value sensitivity for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the company does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity for variable rate instruments

An decrease / increase of 50 basis points in interest rates at the reporting date (31.03.2026) would have increased / (decreased) equity and profit by Rs.1783 Lakhs

Commodity price risk

The Company is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of Steel, Cement and other materials. Due to the significantly increased volatility of the price of the raw material, the Company also entered into various purchase contracts for supply of Steel, Cement & other material. The Company has escalation clause in some of their client contracts for variation in the price of commodities.

Equity price risk

The Company's listed securities are susceptible to market price risk arising from uncertainties about future value of the investment securities.

At the reporting date, the exposure to listed securities at fair value was Rs.Nil (Rs.215 lakhs). An increase / decrease of 10% on the BSE Market Index could have an impact of approximately Rs.Nil (Rs. 21.50 lakhs) on the OCI or equity attributable to the Group.



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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, foreign exchange transactions and other financial instruments.

Trade receivables

Outstanding customer receivables are regularly monitored and any major export shipments to customers are generally covered by letters of credit. The maximum exposure to the credit risk at reporting date is primarily from trade receivables amounting to Rs.40240 Lakhs

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is limited as the Company generally invests in banks and financial institutions with high credit ratings. Other financial instruments includes primarily investment in fixed deposits.

Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.

The following are the contractual maturities of financial liabilities.

Particulars	Rs.Lakhs	
	Upto 12 months	More than 12 months
Trade payables	100237	7170
Borrowings	2699	450031
Advance from Customers	54917	-
Other financial liabilities	34500	-
Lease Liabilities	726	-
Total	193079	457201

Collateral risk

The Company has pledged its short-term deposits of Rs. 2733 lakhs to fulfil the security requirements for the contractual obligations. As at 31 March, 2026, 31 March, 2025 the fair values of the short-term deposits pledged were Rs. 2733 lakhs and Rs. 2607 lakhs respectively.

34 Leases

The changes in carrying value ROU assets and Lease liabilities for the year ended March 31, 2026 are as follows:

Particulars	Rs. Lakhs			
	ROU Assets As at Mar 31,2026	Lease Liabilities As at Mar 31,2026	ROU Assets As at Mar 31,2025	Lease Liabilities As at Mar 31,2025
Opening balance	122	135	311	257
Add : Additions during the year	760	727	-	-
Add : Interest cost during the year	-	60	-	8
Less : Deletions during the year	-	-	-	-
Less : Depreciation during the year	160	-	189	-
Less : Payment of Lease Liabilities	-	196	-	-
Closing Balance	722	726	122	265

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the ROU asset, and finance cost for interest accrued on lease liability.



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35 Segment information

Primary segment information (business segments)

Rs.Lakhs

S.No	Particulars	2025-26 (Mar-26)				2024-25 (Mar-25)			
		Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total
a)	Revenue (net)	3331	26638	-	29969	10787	34332	-	45119
b)	Inter Segment sales	-	-	-	-	-	-	-	-
	Total Revenue	3331	26638	-	29969	10787	34332	-	45119
c)	Result	(1058)	(47557)	-	(48615)	707	(39333)	-	(38626)
	Add: Unallocated income (net of expenditure)				3,160				478
	Profit before interest and tax	(1058)	(44397)	-	(45455)	707	(38855)	-	(38148)
	Interest	413	82114	-	82527	1444	58513	-	59957
	Profit before tax	(1471)	(126511)	-	(127982)	(737)	(97368)	-	(98105)
	Tax expenses								
	- Current tax				-				-
	- Deferred tax				-				-
	- Tax - Earlier years				-				-
	- Total				-				-
	Profit for the year				(127982)				(98105)
d)	Assets	11639	374386	-	386025	11165	413069	-	424234
	Add: Unallocated corporate assets				38252				39053
	Total assets				424277				463287
e)	Liabilities	18028	216206	-	234234	14348	537729	-	552077
	Add: Unallocated corporate liabilities				450031				43318
	Total liabilities				684265				595395

Reconciliations to amounts reflected in the financial statements

Reconciliation of profit	31-Mar-26	31-Mar-25
Segment profit	(48615)	(38626)
Dividend Income	4	-
Net gain on disposal of property, plant and equipment	-	89
Net gain on sale of investment	-	-
Interest Income	2,768	-
Interest Income - Tax Refund	388	389
Profit before interest and tax	(45455)	(38148)

Reconciliation of assets	31-Mar-26	31-Mar-25
Segment operating assets	386025	424234
Investments	35893	36108
Deferred tax assets (net)	-	-
TDS receivable	2359	2945
Total assets	424277	463287

Reconciliation of liabilities	31-Mar-26	31-Mar-25
Segment operating liabilities	234234	552077
Non Current Borrowings	450031	43318
Deferred tax liabilities (net)	-	-
Total liabilities	684265	595395

Secondary segment information (geographic segments)

Particulars	Domestic		Overseas		Total	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
External revenue by location of Customers	29765	43811	204	1308	29969	45119
Carrying amount of segment non current assets by location of assets	69889	56346			69889	56346



36 Contingent liabilities and commitments

Particulars	Rs.Lakhs	
	As at Mar 31,2026	As at Mar 31,2025
Contingent liabilities		
Claims against the company not acknowledged as debt		
a) On account of Sales tax *	30333	43546
b) On account of Income-tax *	5645	5645
c) On account of Service tax *	36668	36668
d) On account of Provident fund	544	552
e) Others * #	12441	12617
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of advances)	17	15

* Excludes interest, penalty and self assessment tax paid.

Others includes cases filed against the company in MSME council, NCLT and other legal forums

37 Related party transactions

Ultimate Holding Company

1. BGR Investment Holdings Company Limited

Subsidiary Companies

1. BGR Boilers Private Limited
2. BGR Turbines Company Private Limited
3. Sravanaa Properties Limited

Joint Venture

- 1.Mecon-Gea Energy System (India) Ltd (JV)

Fellow Subsidiaries / Enterprises where significant influence exists and enterprises where key management personnel have significant influence

- 1.Cuddalore Powergen Corporation Limited
- 2.Mega Funds India Limited
- 3.GEA BGR Energy System India Limited
- 4.Enexo Power Cooling Solutions India Private Limited
- 5.Progen Systems and Technologies Limited
- 6.Schmitz India Private Limited
- 7.Nannilam Property Private Limited
- 8.BGR Boilers Private Limited
- 9.BGR Turbines Company Private Limited
- 10.Sravanaa Properties Limited
- 11.Sasikala Estate Private Limited
- 12.ANI Constructions Private Limited
- 13.Pragati Computers Limited
- 14.BGR Investment Holdings Company Limited
- 15.ARGON Rainment LLP
- 16.Arjun Govin Estate Private Limited
- 17.BGR Aquaatech India Limited
- 18.ECOVOLT infra LLP
- 19.BGR Estate Holdings Limited
- 20.BGR Odisha Powergen Limited
- 21.Menmai Estate Private Limited
- 22.BGR Neo Limited
- 23.Accord Foundations Private Limited
- 24.Bown Granites Company Private Limited
- 25.BGR Power Limited
- 26.BGR Tech Limited
- 27.Schmitz Reinigungskugein and GmbH, Germany
- 28.BGR Enertech Sdn. Bhd., Malaysia
- 29.Priya Estate Developers Private Limited
- 30.Vaani Estates Private Limited
- 31.Vaani Estates Developers Private Limited



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Key Managerial Personnel

- 1.Mr.Arjun Govind Raghupathy,Managing Director
- 2.Mr.Ganesan Jeyakrishna,Executive Director
- 3.Mr.Sundar Srinivasan,Company Secretary & Chief Financial Officer

Non Executive Directors

- Mrs.Sasikala Raghupathy, Non Executive Director
Mr.Krishnamoorthi Meyyanathan,Chairperson,Independent Director
Mr.Surilisubbu Vasudevan,Independent Director
Mr.Narmadha Dhinakaran,Independent Director

Relatives of Key Managerial Personnel

1. Mrs. Sasikala Raghupathy (Mother of Mr.Arjun Govind Raghupathy)
2. Mrs. Vaani Raghupathy (Sister of Mr.Arjun Govind Raghupathy)

(information provided in respect of revenue items for the year ended Mar 31, 2026 and in respect of assets / liabilities as at Mar 31, 2026)

Rs.Lakhs

Particulars	Ultimate Holding Company	Subsidiary Companies	Related parties where significant influence exists and where key management personnel have significant influence	Key Management Personnel	Relatives of Key Management Personnel	Independent Directors	Promoters	2025-26	2024-25
Sales	-	-	-	-	-	-	-	-	-
Purchases	-	-	-	-	-	-	-	-	1145
a)Salaries		301						301	-
b)Others		3888						3888	-
Remuneration							-		
a) Short Term Employee Benefits	-	-	-	65	-	-	-	65	62
b) Retirement Benefits				3			-	3	3
Rent expenses	-	18	68	-	-	-	-	86	92
Others (Royalty)	-	-	-	25		-	-	25	25
Promoter's Sitting Fees	-	-	-	-	-	-	1	1	2
Others Sitting Fees						12		12	11
Loans & Advances									
- Loan availed	-	-	-	-	-	-	-	-	105
Interest on Loan	1184	-	1627	2535	-	-	-	5346	4855
Balances outstanding	(12803)	(16451)	(17134)	(27393)	(112)	-		(73892)	(64992)

38 Impairment of assets**a. Cash generating units :**

There is no impairment loss in cash generating units and hence no provision was made in the financial statements.

b. Other assets :

The Company has recognised impairment loss of Rs. Nil in the books of accounts towards impairment of Buildings subsequent to closure of Lease period.



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39 Registration of charges or satisfaction yet to be registered with Registrar of Companies (ROC)

Satisfaction of Charge pending beyond the statutory period

S.No	Charge Holder Name	Rs.Lakhs	Reasons
1	STATE BANK OF INDIA	4420	Pending NOC from Charge holder
2	AXIS BANK LIMITED	635	Pending NOC from Charge holder
3	ABN AMRO BANK	189	Pending NOC from Charge holder
4	HDFC BANK LIMITED	126	Pending NOC from Charge holder
5	ICICI BANK LIMITED	114	Pending NOC from Charge holder
	TOTAL	5484	

40 Relationship with Struck off Companies

The Company has no transactions \ outstanding balances as on 31.03.2026 with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

41 Provisions

a) The company has made a provision / transfer of Rs.23 lakhs, (Rs.-949 lakhs) towards warranty and contractual obligations on the products supplied / contracts executed by the company during the year. The expenses on account of provision for warranty is grouped under other expenses.

b) Movement in provisions

Particulars	Rs.Lakhs			
	Provision for Warranty	Provision for Contractual Obligations	Provision for Warranty	Provision for Contractual Obligations
	2025-26	2025-26	2024-25	2024-25
Opening balance	1780	1300	2413	1300
Add : Addition / transfers	23	-	(949)	-
Less : (a) Provision utilised	-	-	-	-
(b) Provision reversed	-	(1300)	316	-
Closing balance	1803	-	1780	1300

42 Assets expected to be recovered within twelve months and after twelve months from the reporting date

Particulars	Rs.Lakhs	
	Upto 12 months	More than 12 months
Inventories	991	-
Trade receivables	9424	30816
Loans	32593	1255
Other financial assets	7	-
Other current assets	308002	-
Total	351017	32071

Liabilities expected to be settled within twelve months and after twelve months from the reporting date

Particulars	Rs.Lakhs	
	Upto 12 months	More than 12 months
Trade payables	100237	7170
Borrowings	2699	450031
Advance from Customers	54917	-
Other financial liabilities	34500	-
Lease Liabilities	726	-
Total	193079	457201



- 43 In respect of the NUPPL Ghatampur Balance of work contract, there were an additional works to be executed by the company beyond the original scope of the contract. The Management has raised a claim of Rs.162042 lakhs with customer, which was subsequently taken up before Conciliation Committee. The Committee has admitted and recommended to the customer for its approval for Rs.33969 lakhs and balance pending for admission. Pending approval from the customer and revision/amendment of work order, the company has charged the cost/expenses incurred to the Statement of Profit and Loss Account. During the audit period ending 31st March 2026, the charge to profit and loss account is Rs.23455 lakhs and cumulative cost charged to P&L from Jul'24 to Mar'26 on account of this is Rs.39583 lakhs.
- 44 With respect to the NTTPS Vijayawada Balance of Plant Works contract, there were additional works executed by the Company beyond the original scope of the contract. The Management has raised a claim of Rs 76980 lakhs with the customer. the claim is pending for admission by customer. The Company is taking up its claim through legal course. Pending approval from the customer and revision/amendment of work order, the company has charged the cost/expenses incurred to the Statement of Profit and Loss Account. During the audit period ending 31st March 2026, the charge to profit and loss account is Rs.5307 lakhs.
- 45 During the year, based on a detailed assessment of the physical existence, usability, and recoverability of Property, Plant and Equipment, the Company has written off assets with an aggregate carrying amount of Rs.2522 lakhs. The write-off primarily relates to assets at closed, terminated, or cancelled project sites that were determined to be non-usable and non-recoverable due to site closure, inaccessibility, physical deterioration, obsolescence, and lack of future economic benefits. Accordingly, these assets have been derecognized.
- 46 During July'25, Company received termination order from our customer-TANGEDCO, North chennai and income recognised by the Company is upto Dec'24. Company initiated arbitration proceedings against the termination order.
- 47 The VAT authority Rajasthan has passed an assessment order for Financial years 2009-10, 2010-11 & 2011-12 along with interest & penalty totalling to Rs.50869 Lakhs, against which the Company, appealed to Supreme Court. In the mean time, Rajasthan Government has introduced an amnesty scheme for settling the tax disputes. Accordingly, the company has filed an application for opting the scheme and settle the disputed matter. During the year ended 31st March 2026 as per RVAT order date 10th Feb 2026, the Company got waiver of Rs.38394 Lakhs and the company has charged the net taxes amounting to Rs.12475 Lakhs to the statement of profit and loss account.
- 48 On November 21, 2025 the Government of India notified four labour codes. The incremental impact of these changes is Rs.536 Lakhs, assessed by the Company, has been recognised in the Standalone financial results of the Company for the period ended 31st March 2026.
- 49 On 29th September 2025, 9 Public Sector banks (viz State Bank of India, Bank of Baroda, Bank of India, Central Bank of India, Canara Bank, Indian Bank, IDBI Bank, Punjab National Bank and Union Bank of India) have assigned their outstanding dues payable by the Company to National Assets Reconstruction Company Ltd (NARCL). At present, only ICICI Bank facilities are still under NPA and not assigned to NARCL. Axis Bank and Kotak Mahindra Bank facilities are Non Fund based and are not classified as NPA. The Company is in discussion with NARCL for the documentation of the loan assignment and to finalise the total amount payable to NARCL. Interest charged upto Jun'25 is Rs.16276 lakhs and Interest by NARCL upto Mar'26 is Rs.53220 lakhs is provided in the profit and Loss account. This is done without prejudice to the rights and interests of the Company.



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- 50 The Honourable NCLT order appointing IRP was made on 17.04.2026. The said order was stayed by Honourable NCLAT on 30.04.2026
- 51 The accounts are prepared based on going concern basis only. The Promoters have infused unsecured loan of Rs.43318 lakhs for business operation till date. Though there has been encashment of Bank Guarantees, the Company is continuing to execute the contracts and are hopeful of amicable solutions. Further, the Company is confident that an agreement will be signed with IDRCL/NARCL effecting substantial reduction both in principal and interest liability during the first quarter of 2026-27.
- 52 In case of Sundry creditors, ageing analysis has been carried out by external consultant for the old contracts which was already completed and the balance amount in vendor ledger is not payable due to various factors considering the LD applicability, Risk and cost recovery toward the unexecuted portion of the contract, other recoveries towards various issues as per the terms & conditions of the contract and on application of Limitation Act,1963. Accordingly, creditors write back has been worked out and arrived valuing to Rs. 3306 lakhs during this year.
- 53 **Previous year figures**
Figures of previous year have been regrouped / rearranged, wherever required to conform to the current year presentation.

For and on behalf of Board of Directors

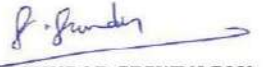

ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864


K.MEYYANATHAN
Independent Director
DIN : 07845698



As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S


B HARIHARAN
Partner
Membership No.207896


SUNDAR SRINIVASAN
Company Secretary & Chief Financial Officer

Chennai
May 25, 2026

ANAND & PONNAPPAN

Chartered Accountants

INDEPENDENT AUDITORS' REPORT

To

The Members of BGR Energy Systems Limited

Report on Audit of the Consolidated Financial Statements

Qualified Opinion

We have audited the accompanying Consolidated financial statements of **BGR Energy Systems Limited** (referred to as the “**Parent Company**”) and its subsidiaries (Parent Company and its subsidiaries and joint venture together referred as “**Group**”) which comprises the Consolidated Balance Sheet as at March 31,2026, the Consolidated Statement of Profit and Loss (including other comprehensive income), Consolidated Statement of Cash Flows, and Consolidated Statement of changes in Equity for the year then ended, and notes to the consolidated financial statements, including a summary of material accounting policy information and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the “Basis for Qualified Opinion” section of our report, the aforesaid consolidated financial statements give the information, 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 Companies Act 2013 read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, (“Ind AS”) and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31,2026, the consolidated loss including other comprehensive income, consolidated changes in equity and its consolidated cashflows for the year ended on that date.



Basis for Qualified Opinion

1. Un-Audited of Financial Statements of Subsidiary:

Attention is drawn to Note No. 40 to the Consolidated Financial Results, wherein the financial results include unaudited financial results and other financial information of material subsidiaries, namely, BGR Boilers Private Limited & BGR Turbines Company Private Limited for the financial year ended 2025 and 2026. These unaudited financial results as approved by the Board of Directors of the subsidiary company have been furnished to us by the Management of the Parent Company and our report in so far as it relates to the amounts included in respect of this subsidiary are based solely on such unaudited financial results. We are unable to comment on adjustments that may have been required to the accompanying consolidated financial results had such unaudited financial results been audited.

The Group has presented the restated consolidated financial results as on 01st April, 2024 & for the year ended 31st March, 2025, based on the audited financial results of M/s BGR Boilers Private Limited for the year ended 31st March, 2024 and M/s BGR Turbines Company Private Limited for the year ended 31st March, 2024, wherein certain adjustments were carried out by the auditors of the respective companies, which were not properly brought in these financial results. Due to absence of the sufficient and appropriate audit evidence about the adjustments made, we were unable to comment upon the said matters.

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Results section of our report. We are independent of the Group 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 results



under the provisions of the Companies Act, 2013 and the Rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence that we have obtained is sufficient and appropriate to provide a basis for our Qualified opinion

Emphasis of Matters:

1. Attention is invited to Note No. 43 of the Consolidated Financial Statement relating to the NUPPL Ghatampur contract, wherein the Parent Company executed additional works beyond the original scope of the contract and raised claims of Rs. 1,62,042 lakhs, of which Rs. 33,969 lakhs have been recommended by the Conciliation Committee and the balance is pending approval.

Pending customer approval and amendment of the work order, related costs amounting to Rs. 23,455 lakhs during the year and Rs. 39,583 lakhs cumulatively up to 31st March 2026 have been charged to the Statement of Profit and Loss.

2. Attention is invited to Note No. 44 of the Consolidated Financial Statements relating to the NTPPS Vijayawada contract, wherein the Parent Company executed additional works beyond the original scope of the contract. The Management has raised claims of Rs. 76,980 lakhs, which are pending customer approval and are being pursued legally.

Pending approval and amendment of the work order, related costs amounting to Rs. 5,307 lakhs have been charged to the Statement of Profit and Loss during the year ended 31st March 2026.

3. Attention is invited to Note No. 49 of the Consolidated Financial Results, wherein nine Public Sector Banks assigned the Parent

Company's outstanding dues to NARCL on 29th September 2025. Only ICICI Bank facilities continue as NPA and are yet to be assigned to NARCL, while Axis Bank and Kotak Mahindra Bank facilities are non-fund based and not classified as NPA.

The Parent Company is in discussion with NARCL for finalisation of dues and documentation. Interest amounting to Rs. 16,276 lakhs up to June 2025 and Rs. 53,220 lakhs up to March 2026 has been provided in the Statement of Profit and Loss.

Our opinion is not modified in respect of these matters.

Material Uncertainty Related to Going Concern:

In the prior year's audit report dated 28th May 2025, an Adverse Opinion was issued regarding the Group Company's ability to continue as a going concern, as immediate liquidation appeared unavoidable.

During the current financial year, circumstances have improved due to various corrective measures taken by management. The Parent Company has continued its operations for more than 12 months since the financial difficulties began, supported by steady revenue from existing contracts.

Further, the loan accounts classified as NPAs by nine banks have been assigned to National Asset Reconstruction Company Limited (NARCL) under the SARFAESI Act, 2002. The Parent Company is currently in discussions with NARCL for resolution of its debt, including possible debt waivers. Management expects that the proposed resolution may significantly reduce the Company's debt obligations and improve its net worth, liquidity, and overall financial position. However, as on the reporting date, the terms of the proposed settlement with NARCL are yet

to be finalized, as disclosed in Note No. 52 to these Consolidated Financial Statement.

Accordingly, these conditions indicate the existence of a material uncertainty that may cast significant doubt on the Parent Company's ability to continue as a going concern. Nevertheless, based on management's assessment of future business prospects, proposed fund-raising plans, and other mitigating factors, management considers the going concern basis of accounting to be appropriate for the preparation of these Consolidated Financial Statement.

Our opinion is not modified in respect of this matter.

Key Audit Matters:

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31,2026. These matters were addressed in the context of our audit of the consolidated financial statements as a whole and in forming our opinion thereon, we do not provide a separate opinion on these matters. We have determined the matters of the group described below to be the key audit matters to be communicated in our report. In addition to the matter described in the Basis of the Qualified Opinion and Emphasis of Matter paragraphs, we have determined the matters described below to be the Key Audit matter to communicated in our report.

Revenue Recognition in case of Construction Contracts:

The Parent Company recognises revenue from long-term contracts based on the stage of completion, determined by the proportion of costs incurred up to the reporting date relative to the total estimated contract costs at completion. This method of revenue recognition involves significant

management judgement and estimation in assessing the total estimated contract costs, cost to complete, stage of completion, and the timing of revenue recognition.

Management's estimation process also includes determining expected losses on contracts, recognising such losses when it becomes probable that total contract costs will exceed the total contract revenue. Further, cost contingencies are incorporated within these estimates to account for specific project-related risks, uncertainties, and potential disputed claims. These contingencies are regularly reviewed and reassessed by management throughout the duration of the contract.

The Parent Company's revenue may also include variable consideration, such as claims and variations, which are recognised only when management determines that recovery is highly probable, based on the available evidence.

Given the significant level of judgement and estimation involved, particularly relating to total cost forecasts, assessment of contract risks, and recognition of variable consideration, we considered revenue recognition on long-term contracts to be a key audit matter.

Response to Key Audit Matter and Conclusion

Our principal audit procedures included, but were not limited to, the following:

- We assessed the appropriateness of the Parent Company's revenue recognition policies, including those relating to variable consideration, by comparing them with the applicable requirements of the relevant accounting standards.
- We tested the design and operating effectiveness of key controls over:
 - identification and evaluation of distinct performance obligations;

- estimation of costs to complete each performance obligation, including consideration of contingencies as the work progressed;
 - assessment of the impact of change orders on both the costs to complete and the transaction price; and
 - determination and impact of variable consideration on the transaction price.
- For a sample of customer contracts, we performed detailed procedures, which included:
 - Obtaining and reviewing contract documents, related change orders, and other relevant arrangements;
 - Assessing significant contract terms and deliverables to evaluate management's judgments regarding:
 - (i) identification of distinct performance obligations;
 - (ii) updates to estimated costs to complete arising from ongoing progress and change orders;
 - (iii) adjustments to the transaction price resulting from change orders; and
 - (iv) determination of variable consideration and its effect on the transaction price.
 - Comparing costs incurred to date with the Company's estimates to identify material deviations and evaluating management's revisions to estimated costs to complete, if any;
 - Testing the reasonableness of estimated costs and efforts to complete, considering the status of milestone deliveries and evidence of customer acceptance, to assess the risk of delays that could affect revenue recognition.
- We performed analytical procedures to assess the reasonableness of revenue recognized and disclosed, analysed by type and nature of services rendered.

- We also evaluated the adequacy and appropriateness of the Company's disclosures in accordance with Ind AS 115.

Conclusion

Based on the audit procedures performed, we did not identify any material exceptions with respect to the Company's adoption of Ind AS 115 or the timing of revenue recognition.

Information Other than the Consolidated Financial Statements and Auditor's Report thereon

The Parent Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, 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 during the course of our audit or otherwise appears to be materially misstated.

If based on the work we have performed on the other information that we obtained prior to the date of this auditors' 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.

When we read the other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

However, as discussed in the Basis of Qualified Opinion paragraph above, we are unable to conclude whether or not the other information is materially misstated with respect to these matters.

Responsibility of Management for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Group in accordance with the accounting principles generally accepted in India, including the 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 of the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate implementation and maintenance of accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the Group'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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies in the Group are also responsible for overseeing the Group's financial reporting process.

Auditor's Responsibility for the Audit of the Financial Statements

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.

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

- a. 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.

- b. 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 Companies Act, 2013, 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.
- c. Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- d. 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 Group'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 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 report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- e. 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.



Materiality is the magnitude of misstatements in the Consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Consolidated financial statements may be influenced. We consider quantitative materiality and qualitative factors as 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 Consolidated 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

1. We have relied on the unaudited financial statements of subsidiaries, namely, 'M/s Sravanaa Properties Limited', 'M/s BGR Boilers Private Limited' and 'M/s BGR Turbines Company Private Limited', whose financial results reflects total assets of Rs.95769 lakhs as at March 31,2026, total income of Rs.488 lakh, total net loss after tax of Rs.1196 lakhs, total comprehensive loss (net) of Rs.1196 for the annual period ended March 31,2026 and the total net cash flows of Rs.91 lakhs as at March 31,2026 respectively, as considered in the consolidated financial results

The consolidated audited financial results include the Group's share of total net loss after tax and total comprehensive income/ (loss) (net) of Rs. Nil for the period ended March 31, 2026 respectively, as considered in the Statement, in respect of this Joint Venture, whose financial results has not been audited by us.

These unaudited financial statements are taken on record by the Board of directors of the respective subsidiary companies/Joint Ventures, have been furnished to us by the Company and our report in so far as it relates to the amounts included in respect of these subsidiaries are based solely on such unaudited financial statements.

2. In the absence of the Independent Auditor's Report of the subsidiary companies and Joint Venture of the Group for the Financial year ended 31st March 2026, we are unable to comment on the reporting requirements as laid down in the Companies Act 2013 and SEBI (LODR) 2015 as amended from time to time, wherever applicable in the audit of the Consolidated Financial Statements.

Our opinion on the consolidated financial statements, and our report on the "Other Legal and Regulatory Requirements" below, is not modified in respect of the above matters with respect to our reliance on the financial information certified by the Management.

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 Companies Act, 2013, we give in the **"Annexure-A"**, a statement on the matters specified in paragraphs 3 (xxi) of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, based on our audit and on the consideration of the unaudited separate financial statements and other information of the subsidiaries referred to in the "Other Matters" section above, 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 of the aforesaid consolidated financial statements except as stated in Basis of Qualified Opinion.
 - b. Except for the effect of the matters described in Basis of Qualified Opinion paragraph above 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, returns and the reports.
 - c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d. Except for the effect of the matters described in Basis of Qualified Opinion paragraph above in our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2016 as amended from time to time.
- e. On the basis of the written representations received from the directors of the Parent Company as on March 31, 2026 taken on record by the Board of Directors of the Group and the representation from the respective management of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2026 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate Report in “**Annexure B**”. Our report expresses a **modified opinion** on the adequacy and operating effectiveness of the Group’s internal financial controls over financial reporting;
- g. The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group;
- h. The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Opinion paragraph above;

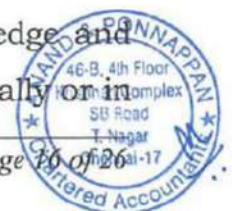


- i. With respect to the other matters to be included in the Auditors' Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Parent Company and its subsidiaries to its directors during the year is in accordance with the provisions of section 197 of 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, 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 of pending litigations on the consolidated financial position of the Group; *(Refer Note No. 33 to the Consolidated Financial Statements)*
- ii. The Group Provision has been made in the consolidated financial statements, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts;
- iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Group;
- iv.
 - a. The respective Managements of the Parent Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of our knowledge and belief, no funds (which are material either individually or in



the aggregate) have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Parent Company or any of such subsidiaries 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Parent Company or any of such subsidiaries and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- b. The respective Managements of the Parent Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us, to the best of our knowledge and belief, no funds (which are material either individually or in the aggregate) have been received by the Parent Company or any of such subsidiaries or joint venture from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Parent Company or any of such subsidiaries shall, 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 nothing has come to our notice that has

caused us to believe that the representations under sub-clause (a) and (b) of Rule 11(e) contain any material misstatement.

- v. In lieu of carried over previous years' and current year losses, neither the Parent company nor the Subsidiaries has not declared and/or paid any dividend during the year in accordance with Sec.123 of the Companies Act, 2013;
- vi. Based on our examination carried out in accordance with the Implementation Guidance on Reporting on Audit Trail under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (Revised 2023 Edition) issued by the Institute of Chartered Accountants of India we report that the Parent Company has used an accounting software ie., SAP ERP, for maintaining its books of accounts which has feature of recording audit trail (edit log) facility for all relevant transactions recorded in the software throughout the year. However, we did not come across any instances of audit trail feature being tampered. Additionally, the audit trail has been preserved by the company as per the statutory requirements for record retention.

In the absence of the Independent Auditor's Report of the subsidiary companies of the Group for the Financial year ended 31st March 2026, we are unable to comment on reporting of Audit Trail of the subsidiaries and Joint Venture.

Our examination of the audit trail was in the context of an audit of financial statements carried out in accordance with the Standard of Auditing and only to the extent required by Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014. We



have not carried out any audit or examination of the audit trail beyond the matters required by the aforesaid Rule 11(g) nor have we carried out any standalone audit or examination of the audit trail.

For Anand and Ponnappan
Chartered Accountants

FRN000111S



B. Hariharan

Partner

MRN: 207896

Place: Chennai

Date: 25.05.2026

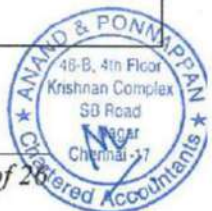
UDIN: 26207896NPOMMC9070

Annexure A to Independent Auditors' Report

Referred to in paragraph 1 under "Report on Other Legal and Regulatory Requirements" Section of our Report of even date.

As required by paragraph 3(xxi) of the CARO 2020, *Except for the effects of matters described in Basis of qualified Opinion paragraph*, we report that the auditors of the following companies, where qualification or adverse remarks in their CARO report on the standalone financial statements of the respective companies included in the Consolidated Financial Statements of the Group:

S.No	Name of the Company	CIN	Relation	Date of Auditor's Report	Paragraph number in the respective CARO reports
1.	BGR Energy Systems Limited	L40106AP1985PLC005318	Parent Company	25 th May, 2026	vii(a), ix(a) and xix
2.	Sravanaa Properties Limited	U70200TN2002PLC049497	Subsidiary	Unaudited	
3.	BGR Boilers Private Limited	U74200TN2009PTC070539	Subsidiary		
4.	BGR Turbines Company Private Limited	U40300TN2009PTC070541	Subsidiary		



During the year we are in receipt of Audited Financial Statement for the year ended 31st March 2024, the qualification by the component auditor is summarised below:

S.No	Name of the Company	CIN	Relation	Date of Auditor's Report	Paragraph number in the respective CARO reports
1.	BGR Boilers Private Limited	U74200TN2009PTC070539	Subsidiary	19 th Dec,2025	xiii,xix
2.	BGR Turbines Company Private Limited	U74200TN2009PTC070539	Subsidiary	31 st Oct,2025	vii(b),xiii,xix

For Anand and Ponnappan
Chartered Accountants

FRN000111S



B. Hariharan

B. Hariharan

Partner

MRN: 207896

Place: Chennai

Date: 25.05.2026

UDIN: 26207896NPOMMC9070

Annexure – B to the Auditors’ Report

Referred to in Paragraph 2(f) under “Report on Other Legal and Regulatory Requirements’ section of our report to the Members of the Company of even dated.

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 Financials Controls over Financial Reporting of BGR Energy Systems Limited (referred to as the **“Parent Company”**) and its subsidiary companies and Joint Ventures, which are incorporated in India for the year ended March 31,2026, in conjunction with our audit of the Consolidated Financial Statements of the company.

Management’s Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its Subsidiaries are 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 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 Parent company’s, its subsidiaries and joint venture’s internal financial controls over financial reporting 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 ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. 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 over financial reporting 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 over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, 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 judgment, 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 us for our audit opinion on the company’s and its subsidiaries internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Consolidated financial statements for external purposes in accordance with generally accepted accounting principles.



A company's internal financial control over financial reporting includes those policies and procedures that:

- a. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- b. provide reasonable assurance that transactions are recorded as necessary to permit preparation of Consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- c. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the Consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



Basis of Qualified Opinion

During the year the audit has been conducted for the subsidiaries BGR Turbines Company Private Limited and BGR Boilers Private Limited for the year ended 31st March 2024. Following material weakness were enlisted by the respective auditor of the company while forming an opinion on the Internal Control over Financial Reporting.

BGR Turbines Company Private Limited's internal financial control system with respect to determination of expected credit loss of receivable from the Parent Company as explained in notes to the financial statement were not operating effectively, which has resulted in a material misstatement in the value of receivable from the Parent Company, impairment losses and its consequential impact on corresponding earning and reserves and surplus including applicable disclosure in the accompanying financial statement.

Report of BGR Boilers Private Limited's internal financial control system over re-measurement of onerous provision as explained in the Notes to the financial statement was not operating effectively, which could potentially lead to material misstatement result in carrying value of such provision for onerous contract and its consequential impact on the reserves and surplus and related disclosure in the accompanying financial statement.

The above subsidiary are treated as material subsidiary of group, the said matters were considered to material weakness for the group.

Qualified Opinion

In our opinion, the Parent company, its subsidiaries and joint venture has in all material respects expect for the matters reported above, maintains adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2026, 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.

Other Matters

Our aforesaid report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to the subsidiary companies incorporated in India in case of Sravanaa Properties Limited, BGR Boilers Private Limited and BGR Turbines Company Private Limited, wherein the financial statements are yet to be audited by the respective auditors appointed. Accordingly, we relied on the information and representation made by the respective companies Board of Directors and Parent Company's Board of Directors.

Our opinion is modified in respect of this matter.

For Anand and Ponnappan
Chartered Accountants

FRN000111S



B. Hariharan
Partner

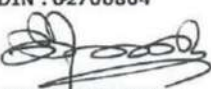
Place: Chennai

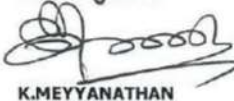
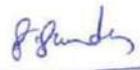
Date: 25.05.2026

UDIN: 26207896NPOMMC9070

MRN: 207896

BGR ENERGY SYSTEMS LIMITED				Rs Lakhs
Consolidated Balance Sheet as at 31.03.2026				
Particulars	Note No.	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 01, 2024
ASSETS				
I Non Current Assets				
(a) Property, plant and equipment	1	25528	28251	29641
(b) Investment Property	1(a)	200	200	252
(c) Capital work in progress		41	25	-
(c) Other Intangible assets	2	7	3	-
(d) Goodwill	2	59	59	59
(e) Financial assets				
(i) Investments	3 (a)	-	215	205
(ii) Trade receivables	3 (b)	31119	14936	12899
(iii) Loans	3 (c)	3551	3557	3545
		60505	47246	46601
II Current Assets				
(a) Inventories	4	991	1506	4336
(b) Financial assets				
(i) Trade receivables	5 (a)	8703	35003	57279
(ii) Cash and cash equivalents	5 (b)	2196	5160	2397
(iii) Bank balance other than (ii) above	5 (b)	2733	2607	6625
(iv) Loans	5 (c)	33765	41672	43175
(v) Other financial assets	5 (d)	401	397	802
(c) Other current assets	6	321766	335605	273715
		370554	421949	388328
III Non-Current assets classified as held for sale		20	20	-
TOTAL ASSETS		431079	469216	434930
EQUITY AND LIABILITIES				
I Equity				
(a) Equity Share Capital	7	7216	7216	7216
(b) Other Equity		(293289)	(162955)	(68225)
Equity attributable to owners of BGR Energy Systems Limited		(286073)	(155739)	(61009)
II Non-Controlling Interest		(4269)	(3165)	(4542)
Total Equity		(290342)	(158904)	(65551)
III Liabilities				
Non Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	8 (a)	450031	43318	43213
(ii) Lease Liabilities	8 (b)	-	-	223
(iii) Trade payables		-	-	-
Total Outstanding dues of micro enterprises and small enterprises		-	-	-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	8 (c)	8332	8927	11422
(b) Provisions	9	3110	1832	7658
(c) Deferred tax liabilities (net)	27	-	-	-
		461473	54077	62515
Current Liabilities				
(a) Financial Liabilities				
(i) Borrowings	8 (a)	2699	303672	139787
(ii) Lease Liabilities	8 (b)	726	135	37
(iii) Trade payables	8 (c)	-	-	-
Total Outstanding dues of micro enterprises and small enterprises		14004	14981	17584
Total Outstanding dues of creditors other than micro enterprises and small enterprises		98935	105064	94751
(iv) Other financial liabilities	10	115274	132368	164786
(b) Other Current Liabilities	11	27229	17522	19832
(c) Provisions	12	1081	301	1188
(d) Current tax liabilities (net)		-	-	-
		259948	574043	437965
Total Liabilities		721421	628120	500481
TOTAL EQUITY AND LIABILITIES		431079	469216	434930
Corporate Overview & Material Accounting Policy Information				
Notes to the Consolidated Financial Statements				
The accompanying notes are integral part of these Consolidated Financial Statements				
For and on behalf of Board of Directors				
As per our report of even date				
For Anand & Ponnappan				
Chartered Accountants				
Firm Registration No. : 0001115				
B HARIHARAN				
Partner				
Membership No. 207896				
SUNDAR SRINIVASAN				
Company Secretary & Chief Financial Officer				
Chennai				
May 25, 2026				

BGR ENERGY SYSTEMS LIMITED			
Consolidated Statement of Profit and Loss for the period ended 31.03.2026		Rs Lakhs	
Particulars	Note No.	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
I Revenue from operations	13	29969	45248
II Other income	14	12765	21016
III Total Income (I + II)		42734	66264
IV Expenses			
(a) Cost of raw materials and components consumed	15	43859	52371
(b) Cost of manufacturing and construction	16	16452	9317
(c) Other direct costs	17	366	313
(d) Changes in inventories of work in progress		-	-
(e) Employee benefits expenses	18	5851	5465
(f) Finance costs	19	82527	59957
(g) Depreciation and amortization expenses	20	1096	1294
(h) Other expenses	21	21755	34393
Total expenses (IV)		171906	163110
V Profit/(Loss) before exceptional items and tax (III-IV)		(129172)	(96846)
VI Exceptional items		-	464
VII Profit/(Loss) before tax (V)-(VI)		(129172)	(97310)
VIII Tax expenses			
(i) Current tax		-	-
(ii) Deferred tax		-	-
(iii) Tax - Earlier years		-	-
IX Profit/(Loss) for the year (VII)-(VIII)		(129172)	(97310)
X Other Comprehensive Income	23		
(i) items that will not be reclassified to profit or loss		102	344
(ii) items that will be reclassified to profit or loss		-	-
XI Total Comprehensive Income for the year (IX+X) (Comprising Profit and other Comprehensive Income for the year)		(129070)	(96966)
Profit or Loss attributable to:			
Owners of BGR Energy Systems Ltd		(128814)	(97240)
Non Controlling Interests		(358)	(70)
		(129172)	(97310)
Total Comprehensive Income attributable to:			
Owners of BGR Energy Systems Ltd		(128712)	(96896)
Non Controlling Interests		(358)	(70)
		(129070)	(96966)
XII Earnings per Equity Share (for Continuing Operation):	24		
1. Basic		(178.51)	(134.75)
2. Diluted		(178.51)	(134.75)
Corporate Overview & Material Accounting Policy information		1.1	
Notes to the Consolidated Financial Statements		1-53	
The accompanying notes are integral part of these Consolidated Financial Statements			
For and on behalf of Board of Directors		As per our report of even date	
		For Anand & Ponnappan	
		Chartered Accountants	
		Firm Registration No. : 000111S	
 ARJUN GOVIND NAGHUPATHY Managing Director DIN : 02700864		 B HARIHARAN Partner Membership No.207896	
 K. MEYYANATHAN Independent Director DIN : 07845698		 SUNDAR SRINIVASAN Company Secretary & Chief Financial Officer	
		Chennai May 25, 2026	

BGR ENERGY SYSTEMS LIMITED				
Consolidated Statement of Cash Flows for the year ended 31.03.2026			Rs Lakhs	
		For the year ended Mar 31, 2026		For the year ended Mar 31, 2025
A	CASH FLOW FROM OPERATING ACTIVITIES			
	Net profit before tax		(129172)	(97310)
	Adjustments for :			
	Depreciation and amortization expenses	1096		1294
	Dividend from investments - quoted	(4)		-
	(Profit) / Loss on sale of Property, plant and equipment (net)	2522		(98)
	Net gain on sale of investment	-		-
	Provision for Warranty	23		(24)
	Provision for Gratuity	673		-
	Provision for Assets	1642		-
	Provision for ECL on Trade Receivables	(110)		(519)
	Provision for ECL on Contract Asset	7		(413)
	Liquidated damages & Trade receivables written off	11336		-
	Provision no longer required	(4001)		-
	Other Comprehensive Income	-		-
	Finance Costs	82527	95711	59957
				60197
	Operating profit before working capital changes		(33461)	(37113)
	Changes in working capital			
	(Increase) / decrease in trade receivables	(691)		19720
	(Increase) / decrease in inventories	515		2830
	(Increase) / decrease in current assets	13974		(57074)
	(Increase) / decrease in loans and advances	5036		1102
	Increase / (decrease) in trade payables and provisions	11129		(115597)
			29963	(149019)
	Cash generated from operations		(3498)	(186132)
	Direct taxes (paid) / refund (net)		1203	389
	Net cash flow from operating activities		(2295)	(185743)
B	CASH FLOW FROM INVESTING ACTIVITIES			
	Purchase of Property, plant and equipment	(63)		(8)
	Sale proceeds of Property, plant and equipment	26		175
	Sale of quoted investments	241		-
	Decrease / (increase) in capital work-in-progress	(16)		-
	Dividend from investments - quoted	4		-
	Net cash flow from investing activities		192	167
C	CASH FLOW FROM FINANCING ACTIVITIES			
	Long term borrowings (repaid) / availed	-		105
	Short term borrowings (repaid) / availed	-		206038
	Payment of lease obligations	(170)		-
	Interest paid	(690)		(17804)
	Net cash flow from financing activities		(860)	188339
	Net increase/(decrease) in cash and cash equivalents (A+B+C)		(2963)	2763
	Cash and cash equivalents as at April 1, 2025		5159	2396
	Cash and cash equivalents as at Mar 31, 2026		2196	5159
	Cash on hand		1	2
	On current accounts		780	3578
	On deposit accounts		1415	1579
For and on behalf of Board of Directors  ARJUN GOVIND RAGHUPATHY Managing Director DIN : 02700864  K.MEYYANATHAN Independent Director DIN : 07845698  As per our report of even date For Anand & Ponnappan Chartered Accountants Firm Registration No. : 0001115  B HARIHARAN Partner Membership No.207896  SUNDAR SRINIVASAN Company Secretary & Chief Financial Officer Chennai May 25, 2026				

Statement of Changes in Equity (2025-26)

Particulars	Equity Share Capital	Other Equity						Total Equity share capital and Other Equity	Non-Controlling Interests	Total (2025-26)
		Securities Premium Reserve	General Reserves	Revaluation Reserves	Retained Earnings	Capital reserve on consolidation	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Other Items of Other Comprehensive Income	
Balance at the beginning of reporting Period (01.04.2025)	7216	31895	14427	-	(210026)	242	136	(554)	924	(158904)
Profit for the year					(130436)					(131540)
Amount transferred from Statement of Profit and Loss										
Equity Instruments through Other Comprehensive Income							28	-		28
Effective Portion of Cash Flow Hedges								-		-
Remeasurement of net defined benefit Liability/Asset (net)									74	74
Transfer to General Reserve										
Balance at the end of reporting Period (31.03.2026)	7216	31895	14427	-	(340462)	242	164	(554)	998	(290342)

--Contd

Statement of Changes in Equity (2024-25)

Particulars	Equity Share Capital	Other Equity						Total Equity share capital and Other Equity	Non-Controlling Interests	Total (2024-25)
		Securities Premium Reserve	General Reserves	Revaluation Reserves	Retained Earnings	Capital reserve on consolidation	Equity Instruments through Other Comprehensive Income	Effective Portion of Cash Flow Hedges	Other Items of Other Comprehensive Income	
Balance at the beginning of reporting Period (01.04.2024) - (Restated)	7216	31895	14427	-	(114952)	242	126	(554)	591	(65551)
Profit for the year					(95074)					(93697)
Amount transferred from Statement of Profit and Loss										
Equity Instruments through Other Comprehensive Income							10	-		10
Effective Portion of Cash Flow Hedges								-		-
Remeasurement of net defined benefit Liability/Asset (net)									333	333
Transfer to General Reserve										
Balance at the end of reporting Period (31.03.2025)	7216	31895	14427	-	(210026)	242	136	(554)	924	(158904)

For and on behalf of Board of Directors

As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 0001115



R. Vinod
ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864

K. MEYANATHAN
Independent Director
DIN : 07845698



B HARIHARAN
Partner
Membership No. 207896

SUNDAR SRINIVASAN
Company Secretary & Chief Financial Officer

Chennai
May 25, 2026

BGR ENERGY SYSTEMS LIMITED

1.1. Notes to the Consolidated Financial Statements

A. COMPANY OVERVIEW

BGR Energy Systems Limited ('Parent Company' or 'the Group') is a public limited company incorporated under the provisions of the Companies Act, 1956. Its equity shares are listed on Bombay Stock Exchange ('BSE') and National Stock Exchange ('NSE'). The Company is a manufacturer of capital equipment for Power Plants, Petrochemical Industries, Refineries, Process Industries and undertakes turnkey Balance of Plant ('BOP') and Engineering Procurement and Construction ('EPC') contracts for Power plants. The Company has been achieving its objectives through its five business units: Power projects, Electrical projects, Oil and Gas equipment, Environmental engineering and Air Fin Coolers.

The consolidated financial statements relate to BGR Energy Systems Limited (Parent Company), its Subsidiary companies, namely, BGR Boilers Private Limited, BGR Turbines Company Private Limited and Sravanaa Properties Limited and its Joint Venture Mecon –GEA Energy System (India) Limited (JV).

The parent Company, its Subsidiaries and Joint Venture are together referred to as "Group".

The Consolidated financial statements for the year ended March 31, 2026 were approved by the Board of Directors and authorised for issue on 30.05.2026.

Details of Subsidiaries	Shareholding (%)
Sravanaa Properties Limited	100
BGR Boilers Private Limited	70
BGR Turbines Company Private Limited	74

B. BASIS OF PREPARATION

i) Statement of Compliance

The financial 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 (Act) (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI). The Ind AS are prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The company adopted Ind AS from 1st April 2015. Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard require a change in the accounting policy hitherto in use.

ii) PRINCIPLES OF CONSOLIDATION AND EQUITY ACCOUNTING

Subsidiaries

Subsidiaries' are all entities over which the Group has control. The Group controls an entity when the Group 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 to direct the relevant activities of the entity. Subsidiaries' are fully consolidated from the date on which control is transferred to the Group.

The Group combines the financial statements of the parent and its subsidiaries' line by line adding together like items of assets, liabilities, income and expense. Intercompany transactions, balances and unrealised gains on transactions between Group company's are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries' have been changed where necessary to ensure consistency with the policies adopted by the Group.

Non controlling interest in the results and equity of the subsidiaries' are shown separately in that consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively.

Joint venture

Interest in joint ventures are accounted using the equity method, after initially being recognised at cost in the consolidated balance sheet.

Equity method

Under the equity method of accounting, the investments are initially recognised at cost and adjusted thereafter to recognize the Group's share of post acquisition profits or loss of the Investee in profit and loss, and the Group's share of other comprehensive income of the investee in other comprehensive income. Dividend received or receivable from the joint venture are recognised as a reduction in the carrying amount of the investment.

When the Group's share of losses in an equity account investment equals or excess its interest in the entity, including any other unsecured long term receivables, the Group does not recognize further losses, unless it has incurred obligations and made payments on behalf of the other entity.

Unrealised gain on transactions between the Groups and its joint ventures are eliminated to the extent of the Group's interest in these entities. Un realised losses are eliminated unless the transaction provides evidence of an impairment of the asset transfer. The accounting policies of equity accounted investees have been changed where necessary to ensure consistency to the policy adopted by the group.



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iii) Use of estimates

The preparation of the financial statements in conformity with Ind AS requires management to make estimates, judgements and assumptions. These estimates, judgements and assumptions affect the applications of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Application of accounting policies that require critical accounting estimates involving complex and subjective judgements and the use of assumptions in these financial statements have been disclosed below:

- a. Recognition of revenue
- b. Recognition of deferred tax asset : availability of future taxable profit
- c. Measurement of defined benefit obligations: Key actuarial assumptions
- d. Recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of an outflow of resources
- e. Estimation of useful life of property, plant and equipment and intangible assets
- f. Estimation of current tax expense and payable
- g. Estimation on assessing the Lease term as the non-cancellable period of a lease including anticipated renewals and the applicable discount rate.

Accounting estimates are reviewed on an on-going basis from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as and when management becomes aware of changes in circumstances surrounding the estimates. Changes in the estimates are reflected in the financial statements in the period in which change are made and, if material, their effects are disclosed in the notes to the financial statements.

iv) Functional and presentation currency

Items included in the financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency').

The financial statements are presented in Indian Rupee (INR), which is Group's functional and presentation currency.

The Standalone Financial Statements are presented in Indian Currency which is also the Group's functional currency. All amounts have been rounded off to the nearest lakhs, unless otherwise stated along with the comparative figures for the previous year ended.

v) Measurement of fair values

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities. The Group has an established control framework with respect to the measurement of fair values.

Fair value categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly
Level 3: inputs for the assets or liability that are not based on observable market data (unobservable inputs)

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is 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.

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumption made in measuring fair values are included in fair value measurement forming part of notes to accounts.

vi) Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification.

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



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All other assets are classified as non-current.

A liability is current when:

1. It is expected to be settled in normal operating cycle, or
2. It is held primarily for the purpose of trading, or
3. It is due to be settled within twelve months after the reporting period, or
4. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

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 project life as its operating cycle for construction contracts and twelve months for Capital goods segment .

Operating cycle for the business activities of the Group covers the duration of the specific project/contract/product line/service including the defect liability period, wherever applicable and extends up to the realisation of receivables (including retention money) within the agreed credit period normally applicable to the respective lines of business.

C.MATERIAL ACCOUNTING POLICIES INFORMATION

i) Property, Plant and Equipment

a) Recognition & Measurement

Property, Plant and Equipment are stated at cost, less accumulated depreciation and impairment losses, if any. Cost of Property, plant and equipment comprises its purchase cost, including import duties and non - refundable taxes or levies and any directly attributable cost to bring the item to working condition as intended by management. Further, any trade discounts and rebates are deducted. Any gain or loss on disposal of property, plant and equipment is recognised as profit or loss.

b) Subsequent Recognition

Expenditure is capitalised only if it is probable that the future economic benefits associated with the expenditure will flow to the Group.

c) Depreciation

The Group depreciates the property, plant and equipment based on the of the useful life prescribed under Part C of Schedule II of the Companies Act, 2013 using Straight-line method. Freehold land is not depreciated. The useful life of the property, plant and equipment are as follows

Assets	Estimate of Useful Life in Years
Tangible Assets	
Buildings	30
Furniture & Fixtures	10
Plant & Equipment *	7.50-15
Office Fixtures	5
Office equipments	3, 5
Electrical Installations	10
Vehicles	8

*The Management believes that the useful lives as given above best represents the period over which Management expects to use these assets, which are different from the useful lives prescribed in the Schedule-II of the Companies Act,2013.

Assets costing not more than Rs.5000/- unit is expensed in the profit and loss account in the year in which there purchased.

d) Capital Work-in-progress

Capital Work-In Progress includes cost of property, plant and equipment under installation/under developments as at the Balance Sheet date.

Property, Plant and Equipment not ready for the intended use on the date of Balance Sheet are disclosed as "Capital work-in-progress" at cost, less impairment losses, if any.

e) Transition to Ind AS

On transition to Ind AS, the Group has decided to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such property, plant and equipment.



ii) Intangible Assets

a) Recognition & Measurement

Intangible assets are stated at cost, less accumulated amortisation and impairment losses, if any.

b) Subsequent Recognition

Expenditure is capitalised only if it increases the future economic benefits embodied in the related specific asset. All other expenditure is recognised in profit or loss as incurred.

c) Amortisation

The Group amortises the intangible assets over the estimated useful life made by the Management using Straight-line method, and is included in Depreciation and amortisation in the Statement of Profit and Loss.

The estimated useful life of the intangible assets are as follows

Intangible Assets	
Asset	Estimate of Useful Life in Years
Technical Know-How	6
Softwares	5

d) Transition to Ind AS

On transition to Ind AS, the Group has decided to continue with the carrying value of all its Intangible asset recognised as at April 1, 2015, measured as per previous GAAP and use that carrying amount as the deemed cost of such Intangible asset.

iii) Investment Properties

Investment properties are properties held to earn rentals and/or for capital appreciation. Investment properties are measured initially at cost including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and impairment losses.

Depreciation on Investment property, wherever applicable, is provided on straight line basis as per useful lives prescribed in Part C of Schedule II to Companies Act 2013.

Investment properties are de-recognised either on disposal or on permanent withdrawal from use. Any gain or loss on disposal of investment property is determined as the difference between net disposal proceeds and the carrying amount of the property and is recognised in the Statement of Profit and Loss.

iv) Leases

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. The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. The Group's lease asset classes primarily consist of leases for land and buildings

a) Recognition & Measurement

The Group recognizes a right of use (ROU) asset and a corresponding lease liability, at the date of commencement of the lease. The Group recognize ROU asset and lease liability for all lease arrangements except for leases with a term of 12 months or less (Short Term Lease) and low value leases.

The ROU assets are initially recognized at cost which is the initial measurement of lease liability adjusted for any lease payment made at or prior to the commencement date of the lease plus any initial direct cost less any lease incentives.

The Lease Liability is recognized at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments discounted using the Group's incremental borrowing rate.

In cases of short-term leases 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.

b) Subsequent Recognition

The ROU assets are subsequently measured at cost less accumulated depreciation, impairment loss, if any and adjusted for any re-measurement of the lease liability.

The lease liabilities are subsequently measured by adding interest on lease liability to the carrying value, reducing the lease payments made to the carrying value and adjusting any reassessment or lease modification to the carrying value.



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c) Amortization

The 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 lease assets.

d) Impairment

The ROU assets are tested for impairment whenever there is an indication that their carrying value may not be recoverable and impairment loss, if any, is recognized in the statement of profit and loss.

The lease liability has been separately presented in the Balance Sheet. The ROU assets have been classified under Property, Plant and Equipment. In the statement of cash flow, the lease payments, which comprises of principal payment of lease liability and interest thereon, have been classified under financing activities. The Lease payment on account of Short-Term Leases or low value lease have been classified under operating activities

v) Inventories

Raw materials, Components, Stores and Spares, work-in-progress and Finished Goods are valued at lower of cost and net realizable value. Cost of inventories is determined on a weighted average basis. Finished goods and work-in-progress include cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

Raw-materials, Components and other supplies are considered to be realizable at cost if the finished products, in which they will be used are expected to be sold at or above cost

In the case of manufactured inventory, cost includes an appropriate share of fixed production overhead based on normal operating capacity.

vi) Foreign currency transactions

Transactions in foreign currencies are recorded in the functional currency at the exchange rates prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate prevailing at the reporting date. Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into functional currency at the exchange rate when the fair value was determined. Non-monetary assets and liabilities that are measured based on the historical cost in a foreign currency are translated at the exchange rate at the date of the transaction. Exchange differences are recognised in the profit or loss.

vii) Employee benefits

a) Short-term employee benefits :

Short-term employee benefits are recognized as an expense at the undiscounted amount in the statement of profit and loss for the year in which related services are rendered.

b) Post employment benefits:

i) Defined contribution plan:

Group's contributions paid/payable during the year towards provident fund, pension scheme and employees' state insurance ('ESI') scheme are recognized in the statement of profit and loss.

ii) Defined benefit plan:

c) Other Long-term employee benefits:

d) All actuarial gains/losses in respect of post employment benefits are charged to Other Comprehensive Income.

viii) Financial instruments

a. Recognition and initial measurement

The Group measures a financial asset or financial liability at its fair value plus or minus, in the case of a financial asset or financial liability not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition or issue of the financial asset or financial liability.

b. Financial assets - Classification

On initial recognition, a financial asset is classified as, measured at

1. Amortised cost;
2. Fair value through other comprehensive income (FVOCI) - debt instrument;
3. Fair value through other comprehensive income (FVOCI) - equity instrument;
4. Fair value through profit and loss (FVTPL)



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Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Group changes its business model for managing financial assets.

c. Financial assets - Measurement

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL :

1. The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
2. 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.

A financial asset is measured at FVTOCI if it meets both of the following conditions and is not designated as at FVTPL:

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

On initial recognition of an equity investment that is not held for trading, the Group may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified as measured at amortised cost or FVTOCI as described above are measured at FVTPL.

d. Financial assets - Derecognition

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the right to receive the contractual cash flows in a transaction in which subsequently all of the risk and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group enters into transaction whereby it transfers asset recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

e. Financial liabilities - Classification

Financial liabilities are classified as measured at amortised cost or FVTPL. 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.

f. Financial liabilities - Measurement

Financial liabilities measured at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss.

Other financial liabilities are measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss.

g. Financial liabilities - Derecognition

The Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expired. The Group also derecognises a financial liability when its term are modified and the cash flows under the modified terms are substantially different, where a new financial liability based on the modified terms is recognised at fair value. Any gain or loss on derecognition in these cases, shall be recognised in profit or loss.

h. Offsetting

Financial assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Group currently 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.

ix) Investments in subsidiaries and joint venture

Investment in subsidiaries and joint ventures are carried at cost less accumulated impairment (ie., permanent diminution in value), if any in the financial statements.

x) Cash flow hedge

The Group designates certain foreign exchange forward and options contracts as cash flow hedges to mitigate the risk of foreign exchange exposure on highly probable forecast transactions.



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When a derivative is designated as a cash flow hedging instrument, the effective portion of changes in the fair value of the derivative is recognized in other comprehensive income and accumulated in the cash flow hedging reserve. If the hedging instrument no longer meets the criteria for hedge accounting, then hedge accounting is discontinued prospectively. If the hedging instrument expires or is sold, terminated or exercised, the cumulative gain or loss on the hedging instrument recognized in cash flow hedging reserve till the period the hedge was effective remains in cash flow hedging reserve until the forecasted transaction occurs. The cumulative gain or loss previously recognized in the cash flow hedging reserve is transferred to the net profit in the Statement of Profit and Loss upon the occurrence of the related forecasted transaction. If the forecasted transaction is no longer expected to occur, then the amount accumulated in cash flow hedging reserve is reclassified to net profit in the Statement of Profit and Loss.

xi) Impairment

a. Financial assets

The Group recognizes loss allowances using the expected credit loss (ECL) model for the financial assets which are not fair value through profit or loss. Loss allowance for trade receivables and contract assets with no significant financing component is measured at an amount equal to lifetime ECL. The application of simplified approach does not require the Group to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date to the amount that is required to be recognised is recognized as an impairment gain or loss in profit or loss.

b. Non-financial assets (Intangible assets and property, plant and equipment)

Intangible assets and property, plant and equipment 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. If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortization or depreciation) had no impairment loss been recognized for the asset in prior years.

xii) Provisions (other than for employee benefits)

a) A Provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

b) Provision for contractual obligation has been provided for in accounts based on management's assessment of the probable outcome with reference to the available information supplemented by experience of similar transactions.

c) The Group makes provision towards warranty obligation arising under the contract, while progressively recognising the revenue, based on management estimate and past experience of similar contracts. Such provision is maintained until the warranty period is completed. The unutilised provision if any, is reversed on expiry of the warranty period.

xiii) Revenue

The company has adopted Ind AS 115 'Revenue from Contracts with Customers' to recognise the income arising from specific contract with customer.

a) Sale of goods and services - Performance obligation at a point in time
Revenue from the sale of goods in the course of ordinary activities is measured at the transaction price of the consideration received or receivable, net of returns, trade discounts. Revenue is recognised on the basis of despatches in accordance with the terms of sale when the significant risks and rewards of ownership have been transferred to the buyer, recovery of the consideration is probable, the associated costs and possible return of the goods can be estimated reliably, there is no continuing effective control over, or managerial involvement with the goods, and the amount of revenue can be measured reliably. The timing of transfers of risk and rewards varies depending on the individual terms of sale.



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Revenue from services is recognized in accordance with the specific terms of contract on performance.

Other operating revenue includes scrap sale, interest income on margin money deposits etc. arising out of and incidental to the principal operation. The entire income under other operating revenue is recognised on accrual basis except in the case of interest income which is recognised using effective rate of interest method.

b) Construction contracts - Performance obligation over time

The Group uses the 'percentage of completion method' to determine the appropriate amount to recognise revenue in a given period. The stage of completion is measured by reference to the contract costs incurred upto the end of the reporting period as percentage of total estimated costs for each contract. Expected loss, if any, on the construction / project related activity is recognized as an expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. While determining the amount of foreseeable loss, all elements of costs and related incidental income not included is taken into consideration. In respect of construction contracts, revenue includes variations in contract work, claims and incentive payments are included in contract revenue to the extent that may have been agreed with the customer and are capable of being reliably measured.

c) Other Income

Other income is comprised primarily of dividend income and exchange gain/loss on forward and options contracts and on translation of other assets and liabilities.

Dividend income: Dividend income is recognised in profit or loss on the date on which the Group's right to receive payments is established.

Others: Any other income is recognised only on accrual basis.

xiv) Income tax

Income tax comprises current and deferred tax. It is recognised in profit or loss except to the extent that it relates to other comprehensive income.

a) Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustments to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantially enacted by the reporting date. Current tax assets and liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

b) Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purpose. Deferred tax is recognised in respect of carried forward losses and tax credits. Deferred tax also not recognised for temporary differences arising on the initial recognition of assets or liabilities in a transaction that affects neither accounting nor taxable profit or loss at the time of transaction.

Deferred tax assets and liabilities are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Group recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets — unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realised or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date. The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

xv) Segment Reporting

a) Segment policies:

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



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b) Identification of segments:

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 Group assesses the financial performance and position of the Group and makes strategic decisions.

c) Segment Revenue and Segment Result:

Segment revenue includes revenue from operations and other income directly identifiable with / allocable to the segment. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Revenue and expenses which relate to the Group as a whole and are not allocable to a segment on a reasonable basis have been disclosed as unallocable.

d) Segment Assets and Liabilities:

Segment assets and liabilities include those directly identifiable with respective segments. Unallocable corporate assets and liabilities represent the assets and liabilities that relate to the Group as a whole and not allocable to any segment.

xvi) Statement of Cash flows

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

Statement of Cash flows are prepared using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future operating cash receipts or payments and items of income or expense associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

xvii) Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with financial institution, other short-term, highly liquid investments with original maturities of twelve months or less that are readily convertible to known cash and which are subject to an insignificant risk of changes in value.

xviii) Dividends

Final dividend on shares are recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Group Board of Directors.

xix) Earnings per share

a. Basic earning per share

Basic earnings per share is calculated by dividing

- i. the profit attributable to owners of the Group
- ii. by the weighted average number of equity shares outstanding during the financial year, adjusted for bonus elements in equity shares issued during the year and excluding treasury shares.

b. Diluted earnings per share

Diluted earning per share adjusts the figures used in the determination of basic earnings per share to take into account:

- i. the after income tax effect of interest and other financing costs associated with dilutive potential equity shares, and
- ii. the weighted average number of additional equity shares that would have been outstanding assuming the conversion of all dilutive potential equity shares.

xx) Contingent liabilities

The Group recognizes contingent liability for disclosure in notes to accounts, if any of the following conditions is fulfilled:

- a) a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the enterprise; or
- b) a present obligation that arises from past events but is not recognized because:
 - it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation; or
 - the amount of the obligation cannot be measured with sufficient reliability.

xxi) Contingent Assets

Contingent assets has to be recognised in the financial statements in the period in which it is virtually certain that an inflow of economic benefits will arise.

xxii) Events after reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed at the end of the reporting period, the impact of such events is adjusted within the standalone financial statements. Otherwise events after the balance sheet date of materials size or nature are only disclosed.



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Rs.Lakhs

1 Property, plant and equipment

Particulars	Land	Building	Plant and Equipment	Right of Use Assets	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2025	24134	743	20590	387	383	7	120	84	351	46759
Additions	-	18	2	761	-	-	22	-	-	803
Retirement *	-	-	19218	-	337	4	81	84	287	20011
Impairment	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	88	-	-	-	20	-	25	133
At 31 Mar 2026	24134	761	1286	1148	46	3	42	-	39	27458
Depreciation and impairment										
At 1 April 2025	-	385	17071	265	334	7	98	70	317	18548
Depreciation and Impairment charge for the year	-	17	873	160	15	-	8	5	13	1091
Retirement *	-	-	16863	-	288	4	86	75	271	17587
Disposals	-	-	81	-	17	-	-	-	24	122
At 31 Mar 2026	-	402	1000	425	45	3	20	-	35	1930
Net book value										
At 31 Mar 2026	24134	359	286	723	1	-	22	-	4	25528
At 31 March 2025	24134	358	3519	122	49	-	22	14	34	28251

The fair value of immovable properties is approximately equivalent to its carrying value. The parent Company has clear title for all the immovable properties held in its name.

Rs.Lakhs

2 Intangible assets

Particulars	Goodwill	Technical Knowhow	Software	Total
At 1 April 2025	59	1348	2159	3566
Additions	-	-	9	9
Disposals	-	-	5	5
At 31 Mar 2026	59	1348	2163	3570
Amortisation and impairment				
At 1 April 2025	-	1348	2156	3504
Amortisation	-	-	2	2
Disposals	-	-	2	2
At 31 Mar 2026	-	1348	2156	3504
Net book value				
At 31 Mar 2026	59	-	7	66
At 31 March 2025	59	-	3	61



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1(a) Investment property

Particulars	Rs Lakhs
I. Gross carrying amount	
Balance as at 1 April, 2024	200
Additions for the year	-
Disposals or classified as held for sale	-
Balance as at 31 March, 2025	200
Additions for the year	-
Disposals or classified as held for sale	-
Balance as at 31 March 2026	200
II. Accumulated depreciation and impairment	
Balance as at 1 April, 2024	-
Amortisation expense for the year	-
Disposals or classified as held for sale	-
Balance as at 31 March, 2025	-
Amortisation expense for the year	-
Disposals or classified as held for sale	-
Balance as at 31 March 2026	-
Carrying amount	
Balance at March 31, 2025	200
Balance at March 31, 2026	200
Fair value	
Balance at March 31, 2025	182
Balance at March 31, 2026	182

A. Measurement of fair values

The fair value of the investment property as at 31 March 2026 has been estimated by the management with reference to the Government Guideline Value of comparable properties situated in the same locality, after considering the nature, location and characteristics of the property. No independent valuation has been obtained.

Management believes that the Guideline Value of comparable properties provides a reasonable basis for estimating the fair value of the investment property for disclosure purposes. However, the actual market value may differ from the disclosed amount depending upon prevailing market conditions and the terms of any future transaction.

**B. Valuation technique
Fair value hierarchy:**

Level 2 – The valuation is based on observable market inputs, including Government Guideline Values of comparable properties in the same area, with appropriate adjustments where considered necessary

* As at 31.03.2026, the parent Company has not disclosed the fair value of Land at Aherwadi village solapur as management has been unable to determine the fair value reliably due to the absence of sufficient observable market inputs and comparable market transactions for similar properties and the significant estimation uncertainty associated with the applicable of valuation techniques under Ind AS 113. Accordingly the management is of the view that a reliable estimate of the fair value of such investment property is not disclosed as at reporting date.



1 Property, plant and equipment

Rs.Lakhs

Particulars	Land	Building	Plant and Equipment	Right of Use Assets	Furniture and fixtures	Office fixtures	Office equipments	Electrical installations	Vehicles	Total
Cost or valuation										
At 1 April 2024	24134	743	21,223	387	383	7	120	94	504	47596
Additions	-	-	0.36	-	-	-	3	-	-	4
Retirement *	-	-	634	-	-	-	4	10	153	801
Impairment	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-	-	-
At 31 Mar 2025	24134	743	20590	387	383	7	120	84	351	46799
Depreciation and impairment										
At 1 April 2024	-	366	16606	76	312	7	92	70	425	17955
Depreciation and Impairment charge for the year	-	20	1,014	189	22	-	8	8	32	1293
Retirement *	-	-	549	-	0.46	-	2	8	140	700
Disposals	-	385	17071	265	334	7	98	70	317	18548
At 31 Mar 2025	-	385	17071	265	334	7	98	70	317	18548
Net book value										
At 31 Mar 2025	24134	358	3519	122	49	-	22	14	34	28251
At 31 March 2024	24134	377	4617	311	71	-	28	24	79	29,641

The fair value of Immovable properties is approximately equivalent to its carrying value. The Company has clear title for all the immovable properties held in its name.

2 Intangible assets

Rs.Lakhs

Particulars	Goodwill	Technical Knowhow	Software	Total
At 1 April 2024	59	1348	2155	3562
Additions	-	-	4	4
Disposals	-	-	-	-
At 31 Mar 2025	59	1348	2159	3566
Amortisation and impairment				
At 1 April 2024	-	1348	2155	3503
Amortisation	-	-	1	1
Disposals	-	-	-	-
At 31 Mar 2025	-	1348	2156	3504
Net book value				
At 31 Mar 2025	59	-	3	62
At 31 March 2024	59	-	-	59



3 Financial Assets

3 (a) Non Current Investments

	Rs.Lakhs		
Particulars	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Investments at Cost			
Investments in Subsidiaries			
Unquoted equity shares	-	-	-
9,49,00,000 BGR Boilers Private Limited	-	-	-
(9,49,00,000) of Rs. 10 each (India)			
13,61,62,900 BGR Turbines Company Private Limited	-	-	-
(13,61,62,900) of Rs. 10 each (India)			
1,65,000 Sravanaa Properties Limited	-	-	-
(1,65,000) of Rs. 10 each (India)			
Total Investments carried at cost (A)	-	-	-
Investments at fair value through OCI (fully paid)			
Quoted equity shares			
13,970 Indian Bank	-	77	70
(13,970) of Rs.91 per share (Face value Rs.10)			
Quoted Investments in Mutual Funds			
50,000 SBI Mutual Fund-Magnum Multi Cap Fund - Dividend	-	23	22
(50,000) units			
2,50,000 SBI Mutual Fund-Infrastructure Fund - I - Growth	-	115	113
(2,50,000) units			
Investments carried at fair value through Other Comprehensive Income (B)	-	215	205
Total Investments	-	215	205
Current	-	-	-
Non-Current	-	215	205
Aggregate cost of quoted investments	-	43	43
Aggregate market value of quoted investments	-	215	205
Aggregate value of unquoted investments	-	-	-



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3 (b) Trade receivables - Non current

Particulars	Rs.Lakhs		
	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Trade Receivables considered good - Secured	-	-	-
Trade Receivables considered good - Unsecured	31909	15311	13222
Trade Receivables which have significant increase in Credit Risk	-	-	-
Trade Receivables - Credit Impaired	-	-	-
	31909	15311	13222
Less: Allowance for Credit Loss	(790)	(375)	(323)
Total Trade receivables	31119	14936	12899

3 (c)

Particulars	Rs.Lakhs		
	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Loans - Non current			
Loans considered good - secured	-	-	-
Loans considered good - unsecured			
- Deposits	578	577	579
- Other loans and advances	2973	2980	3132
Loans which have significant increase in credit risk	-	-	-
Loans - credit impaired	-	-	-
	3551	3557	3711
Less: Allowance for Credit Loss		-	(166)
Total loans	3551	3557	3545

* Includes employee loans, travel advances, prepaid expenses, DGFT refund, GST credit and VAT refunds.

4 Inventories

Particulars	Rs.Lakhs		
	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Raw materials and components	991	1506	4336
Work-in-progress	-	-	-
Total Inventories	991	1506	4336

Current Assets

Financial Assets

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5 (a) Trade Receivables

Particulars	Rs.Lakhs		
	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Trade Receivables considered good - Secured	-	-	-
Trade Receivables considered good - Unsecured			
- from related parties	1518	1518	1518
- from Others	7975	34950	57797
Trade Receivables which have significant increase in Credit Risk	-	-	-
Trade Receivables - Credit Impaired	-	-	-
	9493	36468	59315
Less: Allowance for Credit Loss	(790)	(1465)	(2036)
Total Trade receivables	8703	35003	57279



Ageing of Trade Receivables as on 31.03.2026

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	2751	6735	3067	2530	14072	29155
2	Undisputed Trade Receivables - Considered Doubtfull	-	-	-	-	-	-
3	Sub Total (a)	2751	6735	3067	2530	14072	29155
4	Disputed Trade Receivables - Considered Good	2389	2977	1772	2443	2666	12247
5	Disputed Trade Receivables - Considered Doubtfull	-	-	-	-	-	-
6	Sub Total (b)	2389	2977	1772	2443	2666	12247
7	Grand Total (a+b)	5140	9712	4839	4973	16738	41402
8	Less: Allowance for Credit Loss						(1,580)
9	Net Total						39822

Ageing of Trade Receivables as on 31.03.2025

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments					Total
		Less than 6 Months	6 Months to 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	Undisputed Trade Receivables - Considered Good	4813	2465	4181	5450	34870	51779
2	Undisputed Trade Receivables - Considered Doubtfull	-	-	-	-	-	-
3	Sub Total (a)	4813	2465	4181	5450	34870	51779
4	Disputed Trade Receivables - Considered Good	-	-	-	-	-	-
5	Disputed Trade Receivables - Considered Doubtfull	-	-	-	-	-	-
6	Sub Total (b)	-	-	-	-	-	-
7	Grand Total (a+b)	4813	2465	4181	5450	34870	51779
8	Less: Allowance for Credit Loss						(1840)
9	Net Total						49939



5 (b)		Rs.Lakhs		
		As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
	Cash & Bank Balances			
	Cash and Cash equivalents			
	Balances with banks:			
	- On current accounts	780	3578	984
	- On deposits accounts	1415	1580	1378
	Cash on hand	1	2	34
	On unpaid dividend accounts	-	-	-
	Total Cash and cash equivalents	2196	5160	2397
	Margin money deposits held under lien to banks	2733	2607	6625
	Total Bank Balances other than Cash and Cash Equivalents	2733	2607	6625
	Total Cash and Bank Balances	4929	7767	9022

5 (c)	Particulars	Rs.Lakhs		
		As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
	Loans			
	Loans Considered good - Secured	-	-	-
	Loans Considered good - Unsecured	-	-	-
	- Advance to related party	-	-	-
	- Other loans and advances *	33046	40480	41983
	- Deposits	719	1192	1192
	Loans which have significant increase in credit risk	-	-	-
	Loans - Credit impaired	-	-	-
	Total loans	33765	41672	43175

* Includes employee loans, travel advances, prepaid expenses, DGFT refund, GST credit and VAT refunds.

5 (d)	Other Financial Assets	Rs.Lakhs		
		As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
	Interest accrued on fixed deposits	10	6	802
	Customer retention	391	391	-
	Cash Flow Hedges			
	Foreign Exchange Forward contracts	-	-	-
	Total Other Financial Assets	401	397	802

6	Other Current Assets	Rs.Lakhs		Rs.Lakhs
		As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
	Unsecured, considered good			
	Advance to suppliers	30931	46745	26691
	Others *	97427	97424	36241
	Contracts Asset **	199503	197152	215114
	Asset held for sale	20	20	-
	Advance Income tax (net of provision)	-	-	-
	Prepayments	175	221	25
	Sub Total	328056	341562	278071
	Less : Provision for retention	(2320)	(1994)	-
	Less : Allowance for Credit Loss on Contract Asset	(3950)	(3943)	(4356)
	Total Other Current Assets	321786	335625	273715

*Represents bank guarantees encashed by clients amounting to Rs.94810 Lakhs, ITC adjustment of GST valuing to Rs. 1515 lakhs and Lara Insurance claim receivable valuing to Rs. 1102 lakhs.

** Contract Assets includes Retention money of Rs.122930 Lakhs (Rs.120103 Lakhs).



7 Equity Share Capital
Authorised Share Capital

Rs.Lakhs

Particulars	As at Mar 31,2026		As at Mar 31,2025	
	No.of Shares	Amount	No.of Shares	Amount
Share Capital at the beginning of the year (Face value Rs.10 each)	1,70,00,00,000	170000	10,00,00,000	10000
Increase / (Decrease) during the year	(1,60,00,00,000)	(1,60,000)	1,60,00,00,000	160000
Share Capital at the end of the year	10,00,00,000	10000	1,70,00,00,000	170000

Issued, Subscribed and Paid-up Share Capital

Rs.Lakhs

Particulars	As at Mar 31,2026		As at Mar 31,2025	
	No.of Shares	Amount	No.of Shares	Amount
Issued, Subscribed and Paid-up Share Capital	7,21,61,560	7216	7,21,61,560	7216

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting year

Rs.Lakhs

Particulars	As at Mar 31,2026		As at Mar 31,2025	
	No.of Shares	Amount	No.of Shares	Amount
Outstanding at the beginning of the year	7,21,61,560	7216	7,21,61,560	7216
Issued during the year	-	0	-	0
Outstanding at the end of the year	7,21,61,560	7216	7,21,61,560	7216

b. Details of shareholders holding more than 5% shares in the parent company

Particulars	As at March 31, 2026			As at March 31, 2025		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
BGR Investment Holdings Company Limited	3,68,02,400	51.00	-	3,68,02,400	51.00	-

c. Details of shareholdings held by promoters

Particulars	As at March 31, 2026			As at March 31, 2025		
	No. of Shares	% held	% Change during the year	No. of Shares	% held	% Change during the year
Mrs. Sasikala Raghupathy	2,100	0.003	-	-	0.00	-
BGR Investment Holdings Company Limited	3,68,02,400	51.00	-	3,68,02,400	51.00	-
Mr.Arjun Govind Raghupathy	2,220	0.003	-	4,320	0.01	-

d. Terms/rights attached to equity shares

The parent Company has one class of shares referred to as equity shares having a Face value of Rs 10.
Each holder of equity shares is entitled to one vote per share.



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8 (a) **Non-Current Liabilities**
Financial Liabilities
Borrowings

	Rs.Lakhs		
Non-Current Borrowings	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Unsecured			
Unsecured Loan from related party	43318	43318	43213
Unsecured Loan from Others	-	-	-
Secured			
Loans from NARCL	406713	-	-
Borrowings (Non Current)	450031	43318	43213
Working capital loans from banks	2699	303672	139787
Borrowings (Current)	2699	303672	139787
Total Borrowings	452730	346990	183000

a) The balance in project specific escrow,current and EEFC accounts have been netted off against respective project's working capital loan accounts.

b) The parent Company has availed working capital loan from State Bank of India on sole banking basis for its Product business and project business which have not been specifically funded by other banks. The loan is secured by hypothecation of inventories, trade receivables and movable assets of Product Division viz AFC, ETD, OGED, EED and EPD excluding Project assets specifically charged to the banks / Consortium of banks. The loan from State Bank of India is further secured by first charge on land property at Panjetti Village, Tiruvallur Dist, Tamilnadu and first charge on the fixed assets of the Product Division.

The Loan is further secured by corporate guarantee and collateral of land held by Sravanaa Properties Limited (Subsidiary Company), pledge of shares held by BGR Investment Holdings Company Limited in BGR Energy Systems Limited and the corporate guarantee of BGR Investment Holdings Company Limited.

c) The parent Company has availed contract specific working capital loans from State Bank of India, IDBI Bank, Punjab National Bank, Canara Bank, Bank of Baroda, Indian Bank, Bank of India, Central Bank of India, Axis Bank, ICICI Bank, Kotak Mahindra Bank Ltd and Union Bank of India. These loans are secured by hypothecation of inventories, trade receivables and movable current assets of the respective contracts. The participating banks share the securities on pari-passu basis.

d) Nine banks, namely State Bank of India, Bank of Baroda, Bank of India, Canara Bank, Central Bank of India, IDBI Bank, Indian Bank, Punjab National Bank, and Union Bank of India, which had extended working capital facilities, assigned their outstanding dues to National Asset Reconstruction Co Ltd (NARCL) pursuant to the Assignment Agreement dated 29.09.2025.

e) Following said assignment, the respective Securities in favour of the consortium bankers have also been transferred in favour of NARCL.

f) The parent Company has availed unsecured Loans from Related Parties at the interest rate of 9.75% p.a. These loans are repayable on demand subject to approval from Banks. The details of Loan is tabulated below.

S.No	Particulars	Rs Lakhs
1	Managing Director	20000
2	BGR IHCL	9607
3	Argo Raiment LLP	7695
4	Arjun Govin Estate Pvt Ltd	6016
	Grand Total	43318

g) The quarterly returns or statements of current assets filed by the parent Company with banks or financial institutions are in agreement with the books of accounts.

8 (b) **Financials Liabilities**
Lease Liabilities

	Rs.Lakhs		
Particulars	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Lease Liabilities - Non Current	-	-	223
Lease Liabilities - Current	726	135	37
Total Lease Liabilities	726	135	260



8 (c) Trade Payables

Rs.Lakhs

Particulars	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Micro and small enterprises	14004	14981	17584
Others			
Trade Payables	107268	113991	106173
Total Trade Payables	121272	128972	123757
Trade Payables Current	112939	120045	112335
Trade Payables Non Current	8333	8927	11422

Ageing of Trade Payables as on 31.03.2026

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	4387	1600	1927	7389	15304
2	Others	23972	4542	30202	28082	86798
3	Sub Total	28360	6142	32129	35471	102102
4	MSME - Disputed Dues	76	65	269	1791	2201
5	Others - Disputed Dues	-	2059	4549	10362	16969
6	Sub Total	76	2124	4818	12153	19170
7	Total	28436	8266	36947	47624	121272

Ageing of Trade Payables as on 31.03.2025

Rs.Lakhs

S.No	Particulars	Outstanding for following periods from due date of payments				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
1	MSME	3961	2323	1080	5781	13145
2	Others	9758	18435	5892	61938	96023
3	Sub Total	13719	20758	6972	67718	109167
4	MSME - Disputed Dues	237	238	90	3055	3620
5	Others - Disputed Dues	2641	4513	973	8058	16185
6	Sub Total	2878	4751	1063	11113	19805
7	Total	16597	25509	8035	78831	128972

Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006.

On the basis of confirmation obtained from suppliers who have registered themselves under the Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006) and based on the information available with the parent Company, the following are the details:



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Particulars	Rs.Lakhs	
	As at Mar 31, 2026	As at Mar 31, 2025
Principal amount remaining unpaid	11210	12182
Interest due thereon remaining unpaid	5952	5952
Payments made to the supplier beyond the appointed day during the year	2722	2186
Interest paid to the supplier	-	-
Interest due and payable for the period of delay in making payment without adding interest	-	-
Interest accrued and remaining unpaid	5952	5952
Amount of further interest remaining due and payable in succeeding years	-	-

9 Non Current Provisions	Rs.Lakhs		
	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Employee benefit obligations			
Provision for leave encashment	40	46	12
Provision for gratuity	183	390	31
Provision for contractual obligation	1084	216	5381
Provision for warranty	1803	1180	2234
Total Non Current Provisions	3110	1832	7658

10 Other Financial Liabilities	Rs.Lakhs		Rs.Lakhs
	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Current maturities of long-term borrowings	-	-	-
Unpaid dividends	-	-	-
Advance from customers	80774	64396	138967
*Interest accrued	34500	67972	25819
Total	115274	132368	164786

* Includes compounding interest on working capital loan amounting to Rs.9 Lakhs (subject to bank confirmation) not debited by bank for the month of Mar'26

11 Other Current Liabilities	Rs.Lakhs		
	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Other payables *	11749	9018	4321
Contract Liability	15480	8504	15511
Total Other Current Liabilities	27229	17522	19832

* Other payables include expenses payable, employee dues, withholding taxes and other statutory dues.

12 Provisions	Rs.Lakhs		
	As at Mar 31, 2026	As at Mar 31, 2025	As at Apr 1, 2024
Employee benefit obligations			
Provision for bonus	15	15	15
Provision for leave encashment	136	23	112
Provision for gratuity	807	140	883
Others			
Provision for Onerous contract	123	123	-
Provision for warranty	-	-	178
Total Provisions	1081	301	1188



Profit and Loss		Rs.Lakhs	
	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025	
13 Revenue from operations:			
Capital Goods	3246	10746	
Construction and EPC contracts	26024	33836	
Other operating revenues			
-Interest on Margin Money Deposits	142	492	
-Income from scrap Sales	557	174	
Total Other operating revenues	699	666	
Total Revenue from operations	29969	45248	

Out of the total revenue recognised under Ind AS 115 during the year, Rs.29069 lakhs (previous year Rs.44319 lakhs) is recognised over a period of time and Rs.201 lakhs (Previous year Rs.263 lakhs) is recognised at a point in time.

Other income		Rs.Lakhs	
	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025	
Dividend from investments - quoted	4	-	
Others			
Net gain on disposal of property, plant and equipment	-	98	
Foreign exchange (net)	5129	-	
Net gain on sale of investment	-	-	
Interest on advances / deposit / IT-refunds	3631	2471	
Other Income	-	-	
Provision no longer required/Written back	4001	6850	
Contract Liability reversal	-	11597	
Total Income	12765	21016	

Cost of raw material and components consumed		Rs.Lakhs	
	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025	
Opening inventory	1506	4336	
(Raw materials, consumables, bought outs and components)			
Add : Purchases	43344	49541	
	44850	53877	
Less: Closing inventory	991	1506	
(Raw materials, consumables, bought outs and components)			
Cost of raw material and components consumed	43859	52371	

		Rs.Lakhs	
	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025	
16 Cost of manufacturing and construction			
Subcontracting and processing charges	16415	9273	
Power and fuel	37	44	
Cost of manufacturing and construction	16452	9317	

		Rs.Lakhs	
	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025	
17 Other direct cost			
Insurance	366	259	
Packing and forwarding	-	54	
Other direct cost	366	313	



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18	Employee benefits expense	Rs.Lakhs	
		For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
	Salaries, allowances and bonus	4513	4593
	Contribution to P.F., E.S.I.	166	186
	Workmen and staff welfare expenses	364	286
	Compensated Absences	135	24
	Gratuity	673	376
	Employee benefits expense	5851	5465

19	Finance costs	Rs.Lakhs	
		For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
	Interest on working capital loans	16524	51541
	Interest on NARCL loans	53220	-
	Interest - others *	12206	7852
	Other Finance Charges	577	564
	Finance costs	82527	59957

* Includes Interest on Customer Advance, Unsecured Loan from Related Parties and Lease Liability.

20	Depreciation and amortization expense	Rs.Lakhs	
		For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
	Depreciation of Property, Plant & Equipments (incl. Right to use)	1094	1293
	Amortization of intangible assets	2	1
	Depreciation and amortization expense	1096	1294

21	Other expenses	Rs.Lakhs	
		For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
	Rent	173	415
	Payment to Statutory auditors (refer details below)	50	50
	Bank charges	1	3
	Conveyance and vehicle running expenses	151	189
	Liquidated damages	409	-
	Provision for Bad Debts	-	14820
	Electricity charges	41	81
	Foreign exchange (net)	431	420
	Insurance	24	25
	Loss on sale of Property, Plant and Equipments (net)	2522	-
	Miscellaneous expenses	1992	3120
	Professional charges	1566	1531
	Rates and taxes	13563	1194
	Repairs and maintenance	428	400
	Security charges	179	78
	Selling expenses	22	2
	Sitting fees	13	13
	Telephone expenses	28	29
	Travelling expenses	162	116
	Contract Asset reversal	-	11907
	Total Other expenses	21755	34393

Payment to Statutory auditors	Rs.Lakhs	
	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
- For audit fees	36	36
- For tax matters	14	14
- For certification and others	-	-
Total Payment to Statutory Auditors	50	50



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22 Corporate Social Responsibility (CSR)

Rs.Lakhs

S.No	Particulars	2025-26	2024-25
1	Amount required to be spent by the Company during the year	-	-
2	Amount of expenditure incurred	-	-
3	Shortfall at the end of the year	-	-
4	Total of previous years shortfall	-	-
5	Reasons for shortfall	-	-
6	Nature of CSR activities	-	-
7	Details of related party transactions., e.g contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard	-	-
8	Where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately.	-	-

There are unspent amount of CSR of Rs.1301 lakhs pertaining to earlier years till 2019-20

23 Components of Other Comprehensive Income (OCI)

Rs.Lakhs

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Items that will not be reclassified to Profit/Loss		
Remeasurement of net defined benefit Liability/Asset (net)	74	-
Equity Instruments through Other Comprehensive Income (net)	28	344
Items that will be reclassified to Profit/Loss		
Fair value changes on cash flow hedges (net)	-	-
Total Other Comprehensive Income for the Year	102	344

24 Earnings per share (EPS)

The following reflects the profit and share data used in the basic and diluted EPS computation :

Particulars	For the year ended Mar 31, 2026	For the year ended Mar 31, 2025
Basic EPS		
Profit after tax as per accounts	(1,28,814)	(97,240)
Weighted average number of equity shares (face value Rs.10 per share) (lakh Nos.)	722	722
Basic EPS (Rs.)	(178.51)	(134.75)
Diluted EPS		
Profit for the year for basic EPS	(1,28,814)	(97,240)
Less : Adjustment	-	-
Adjusted profit for diluted EPS	(1,28,814)	(97,240)
Weighted average number of equity shares for Basic EPS (lakh Nos.)	722	722
Add : Adjustment	-	-
Weighted average number of equity shares (face value Rs.10 per share) for diluted EPS (lakh Nos.)	722	722
Diluted EPS (Rs.)	(178.51)	(134.75)



25 Financial Ratios

S.No	Ratios	Particulars	Units	2025-26	2024-25	% Inc \ Dec	Reasons
1	Current Ratio	Current Assets / Current Liabilities	Times	1.43	0.74	94%	In spite of significant reduction in Current Asset, the Current ratio has increased due to the reclassification of NARCL borrowings to Non-Current Liability
2	Debt-Equity Ratio	Debt / Total Equity	Times	(1.56)	(2.18)	-29%	Due to current year loss accretion
3	Debt Service Coverage Ratio	EBIDTA / (Interest+Principal)	Times	(0.71)	(0.94)	25%	Interest increase
4	Return on Equity Ratio	PAT / Tangible Networth	%	44.46%	61.02%	27%	Due to current year loss accretion
5	Inventory Turnover	Inventory / COGS * 360	No of Days	6	9	-33%	Due to decrease in turnover
6	Trade Receivables Turnover	Trade Receivables / Turnover * 360	No of Days	478	397	20%	
7	Trade Payables Turnover	Trade Payables / COGS * 360	No of Days	720	749	-4%	
8	Net Capital Turnover Ratio	Turnover / Total Equity	Times	(0.10)	(0.28)	-64%	Due to decrease in turnover
9	Net Profit Ratio	PAT / Turnover	%	-430.68%	-214.30%	-101%	Due to current year loss
10	Return on Capital Employed	PBT / Total Equity	%	44.49%	61.24%	27%	Due to current year loss

26 Construction contracts

In respect of all construction contracts in progress at the end of the year :

Particulars	As at Mar 31, 2026	As at Mar 31, 2025
The aggregate amount of costs incurred and recognized profits (less recognized losses) (including amounts carried forward from previous years)	369674	340480
The amount of advances received	54917	38539
The amount of retentions	122930	120103
The gross amount due from customers for contract work as an asset (unbilled revenue)	76573	77069
The gross amount due to customers for contract work as a liability (unearned revenue)	15480	8504

27 Deferred taxes

Major components of deferred tax assets and liabilities are as under:

Particulars	Deferred tax asset as at Mar 31, 2026	Deferred tax liability as at Mar 31, 2026	Deferred tax asset as at Mar 31, 2025	Deferred tax liability as at Mar 31, 2025
Property, plant and equipment	-	-	-	-
Other Intangibles	-	-	-	-
Trade Receivables	-	-	-	-
Provisions	-	-	-	-
Customer Retention	-	-	-	-
ECL on Contract Asset	-	-	-	-
Carry forward tax loss	-	-	-	-
Lease Liabilities (net)	-	-	-	-
Sub Total	-	-	-	-
Net	-	-	-	-
Add / (Less) : MAT Credit entitlement		-		-
Grand Total		-	-	-



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28. Interest in other entities

a) Subsidiaries

The group's subsidiaries at 31 Mar, 2026 are set out below. Unless otherwise stated, they have Share capital consisting solely of equity share capital that are directly held by the group, and the proportion of ownership interests held equals to the voting right held by the group.

Name of the entity	Place of business / country of incorporation	Ownership interest held by the Group		Ownership interest held by non controlling interests		Principal activities
		31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	
i. BGR Boilers Private Limited	Chennai, India	70%	70%	30%	30%	Sales of goods
ii. BGR Turbines Company Private Limited	Chennai, India	74%	74%	26%	26%	Sales of goods
iii. Sravanaa Properties Limited	Chennai, India	100%	100%	0%	0%	Leasing of assets

b) Non-Controlling interests (NCI)

Set out below is summarized financial information for each subsidiary that has non controlling interest that are material to the Group. The amounts disclosed for each subsidiary are before inter company eliminations.

Summarized balance sheet	Rs.Lakhs			
	BGR Boilers Private Limited		BGR Turbines Company Private Limited	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Current assets	4499	4839	6061	5540
Current liabilities	19632	19324	4200	3718
Net current assets	(15133)	(14485)	1862	1822
Non-current assets	9597	9605	3218	3013
Non-current liabilities	1917	2823	1894	1676
Net non-current assets	7679	6782	1324	1337
Net assets	(7454)	(7703)	3186	3159

Accumulated Non-Controlling interests	Rs.Lakhs			
	BGR Boilers Private Limited		BGR Turbines Company Private Limited	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
Revenue	224	1127	261	94
Profit for the Year	(1276)	(270)	98	41
Other Comprehensive Income	-	-	-	-
Profit allocated to NCI	(383)	(81)	25	11
Dividends paid to NCI	-	-	-	-



29 Financial Instruments

The Carrying Value and Fair Value of Financial Instruments as of Mar 31, 2026 were as follows

					Rs.Lakhs
Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	2196			2196	2196
Bank balance other than above	2733			2733	2733
Investments:					
Equity Securities and others			-	-	-
Liquid mutual fund units			-	-	-
Trade Receivables	39822			39822	39822
Loans	37316	-		37316	37316
Other Financial Assets	401			401	401
Total	82468	-	-	82468	82468
LIABILITIES					
Other Financial Liabilities	115274			115274	115274
Lease Liabilities	726			726	726
Trade Payables	121272			121272	121272
Borrowings	452730			452730	452730
Total	690002	-	-	690002	690002

The Carrying Value and Fair Value of Financial Instruments as of March 31, 2025 were as follows

					Rs.Lakhs
Particulars	Financial Assets carried at Amortised Cost	Financial Assets carried at FVTPL	Financial Assets carried at FVTOCI	Total Carrying Value	Total Fair Value
ASSETS					
Cash & Cash Equivalents	5160			5160	5160
Bank balance other than above	2607			2607	2607
Investments:					
Equity Securities and others			77	13	77
Liquid mutual fund units			138	30	138
Trade Receivables	49939			49939	49939
Loans	45229			45229	45229
Other Financial Assets	397			397	397
Total	103332	-	215	103375	103547
LIABILITIES					
Other Financial Liabilities	132368			132368	132368
Lease Liabilities	135			135	135
Trade Payables	128972			128972	128972
Borrowings	346990			346990	346990
Total	608465	-	-	608465	608465

30 Fair Value Hierarchy

The Following table shows the levels in the fair value hierarchy :

Fair Value Measurement at the end of the reporting period	As at Mar 31, 2026	As at Mar 31, 2025
ASSETS		
Investments		
Mutual Fund Investments	Level 1	Level 1
Equity Instruments	Level 1	Level 1

Fair value of mutual fund and equity investments is based on quoted price.

The Management has assessed the fair value of trade receivables, trade payables, cash & cash equivalents, bank balances, bank deposits, loans and advances, bank borrowings, lease liabilities and other financial assets and liabilities approximate their carrying amounts.



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31 Risk Management Strategies

Financial risk management:

The Group's activities exposed to market risk, credit risk and liquidity risk. The Group's senior management oversees the management of these risks.

Market risk

Market risk is the risk of loss of future earnings or fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign exchange rates and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables. The Group is exposed to market risk primarily related to foreign exchange rate risk (currency risk), interest rate risk and the market value of its investments. Thus the Group's exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currencies.

Foreign currency risk

The Group has entered into various contracts in several currencies and consequently the Group is exposed to foreign exchange risk through its sales, services and purchases from suppliers in various foreign currencies. The Group holds derivative financial instruments such as foreign exchange forward contract to mitigate the risk of changes in exchange rates on foreign currency exposures. The exchange rate between the rupee and foreign currencies has changed substantially in recent years. The fluctuations in exchange rate may have an impact on Group's operations.

Foreign currency sensitivity

a. Particulars of unhedged foreign currency exposure are as under :

Rs. in lakhs / Foreign currency in lakhs			
Particulars	As at Mar 31, 2026	As at Mar 31, 2025	
Assets (Trade receivables / advance to suppliers / bank balances)			
In foreign currency			
In USD	114.87	158.45	
In EURO	195.57	162.30	
In GBP	0.01	0.01	
In JPY	55.10	55.10	
In AED	-	0.03	
In Indian currency			
In USD	10873.07	13560.49	
In EURO	21318.73	14984.20	
In GBP	0.71	0.63	
In JPY	32.64	41.32	
In AED	-	0.75	
Liabilities (Advance from customers/trade payables/buyers credit)			
In foreign currency			
In USD	41.05	55.64	
In EURO	3.19	6.32	
In GBP	0.14	0.28	
In Indian currency			
In USD	3885.35	4761.89	
In EURO	347.88	583.92	
In GBP	17.76	30.61	

An appreciation / depreciation of 0.50 percentage points in exchange rate between the INR and USD, the operating margins at the reporting date (31.03.2026) would have increased / (decreased) equity and profit by Rs.54 Lakhs (Rs.68 Lakhs)

The Sensitivity analysis is computed based on the change in the income and expenses in the foreign currency upon conversion into functional currency, due to exchange rate fluctuations between the previous reporting and the current reporting period



b. Particulars of derivative contracts entered into for hedging purpose outstanding are as under:

Particulars	Rs. in lakhs / Foreign currency in lakhs			
	As at Mar 31, 2026		As at Mar 31, 2025	
	Forex Working Capital Demand Loans	Trade payables	Forex Working Capital Demand Loans	Trade payables
Number of contracts	-	-	-	-
Value in foreign currency				
USD	-	-	-	-
EURO	-	-	-	-
Value in INR	-	-	-	-

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. The Group's exposure to the risk of changes in market interest rates relates to the Group's long-term debt obligations with floating interest rates.

As at the reporting date the Group's interest – bearing financial instruments were as follows:

Particulars	Rs. Lakhs	
	Carrying amount	
	As at Mar 31, 2026	As at Mar 31, 2025
Fixed rate instruments		
Financial assets		
Fixed deposits with banks	4148	2607
Financial liabilities		
Unsecured Loan from related	43318	43318
Advance from Customers	80774	64396
Variable rate instruments		
Financial liabilities		
Borrowings from NARCL	406713	-
Working Capital Loans	2699	303672

Interest rate sensitivity

Fair value sensitivity for fixed rate instruments

The Group does not account for any fixed rate financial assets and liabilities at fair value through profit or loss, and the Group does not designate derivatives (interest rate swaps) as hedging instruments under a fair value hedge accounting model. Therefore a change in interest rates at the reporting date would not affect profit or loss.

Cash flow sensitivity for variable rate instruments

An decrease / increase of 50 basis points in interest rates at the reporting date (31.03.2026) would have increased / (decreased) equity and profit by Rs.1783 Lakhs

Commodity price risk

The Group is affected by the price volatility of certain commodities. Its operating activities require the ongoing purchase of Steel, Cement and other materials. Due to the significantly increased volatility of the price of the raw material, the Group also entered into various purchase contracts for supply of Steel, Cement & other material. However we have escalation clause with some of our clients for variation in the price of commodities.

Equity price risk

The Group's listed and non-listed securities are susceptible to market price risk arising from uncertainties about future value of the investment securities.

At the reporting date, the exposure to listed securities at fair value was Rs.Nil (Rs.215 lakhs). An increase / decrease of 10% on the BSE Market Index could have an impact of approximately Rs.Nil (Rs. 21.50 lakhs) on the OCI or equity attributable to the Group.

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) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments.



Trade receivables

Outstanding customer receivables are regularly monitored and any major export shipments to customers are generally covered by letters of credit. The maximum exposure to the credit risk at reporting date is primarily from trade receivables amounting to Rs.39822 Lakhs

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is limited as we generally invest in banks and financial institutions with high credit ratings. Other financial instruments includes primarily investment in fixed deposits.

Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group's objective is to maintain a balance between continuity of funding and flexibility through the use of bank borrowings.

The following are the contractual maturities of financial liabilities.

Particulars	Rs.Lakhs	
	Up to 12 months	More than 12 months
Trade payables	112939	8333
Borrowings	2699	450031
Advance from Customers	80774	-
Other financial liabilities	34500	-
Lease Liabilities	726	0

Collateral risk

The parent Company has pledged its short-term deposits of Rs. 2733 lakhs to fulfil the security requirements for the contractual obligations. As at 31 March, 2026, 31 March, 2025 the fair values of the short-term deposits pledged were Rs. 2733 lakhs and Rs. 2607 lakhs respectively.

32 Leases

The changes in carrying value ROU assets and Lease liabilities for the year ended March 31, 2026 are as follows:
Rs. Lakhs

Particulars	ROU Assets As at Mar 31,2026	Lease Liabilities As at Mar 31,2026	ROU Assets As at Mar 31,2025	Lease Liabilities As at Mar 31,2025
Opening balance	122	135	311	257
Add : Additions during the year	760	727	-	-
Add : Interest cost during the year	-	60	-	8
Less : Deletions during the year	-	-	-	-
Less : Depreciation during the year	160	-	189	-
Less : Payment of Lease Liabilities	-	196	-	-
Closing Balance	722	726	122	265

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the ROU asset, and finance cost for interest accrued on lease liability.

33 Contingent liabilities and commitments

Rs Lakhs

Particulars	As at Mar 31,2026	As at Mar 31,2025
Contingent liabilities		
Claims against the Group not acknowledged as debt		
a) On account of sales tax *	30333	43546
b) On account of income-tax *	5645	5645
c) On account of service tax *	36668	36668
d) On account of provident fund	544	552
e) Others * #	142157	121542
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account (net of	17	15

* Excludes interest, penalty and self assessment tax paid.

Others includes cases filed against the parent company in MSME council, NCLT and other legal forums



34 Segment information

Primary segment information (business segments)

Particulars	2025-26 (Mar-26)				2024-25 (Mar-25)			
	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total	Capital goods segment	Construction and EPC contracts segment	Inter Segment eliminations	Total
a) Revenue (net)	3331	26638	-	29969	10787	34461	-	45248
b) Inter Segment sales	-	-	-	-	-	0	-	-
Total Revenue	3331	26638	-	29969	10787	34461	0	45248
b) Result	(1058)	(49222)	-	(50280)	707	(40629)	-	(39922)
Add: Unallocated income (net of expenditure)				3635				2569
Profit before interest and tax	(1058)	(45587)		(46645)	707	(38060)		(37353)
Interest	413	82114		82527	1444	58513		59957
Profit before tax	(1471)	(127701)		(129172)	(737)	(96573)		(97310)
Tax expenses								
- Current tax				-				-
- Deferred tax				-				-
- Tax - earlier years				-				-
- Total				-				-
Profit for the year				(129172)				(97310)
c) Assets	11639	417081		428720	11165	455783		466056
Add: Unallocated corporate assets				2359				3160
Total assets				431079				469216
d) Liabilities	18028	253362		271390	14348	570454		584802
Add: Unallocated corporate liabilities				450031				43318
Total liabilities				721421				628120

Reconciliations to amounts reflected in the financial statements

Reconciliation of profit	31-Mar-26	31-Mar-25
Segment profit	(50280)	(39922)
Dividend Income	4	-
Net gain on disposal of property, plant and equipment	-	98
Net gain on sale of investment	-	-
Interest Income	3,631	2,471
Profit before interest and tax	(46645)	(37353)

Reconciliation of assets	31-Mar-26	31-Mar-25
Segment operating assets	4,28,720	4,66,948
Investments	-	215
Deferred tax assets (net)	-	-
TDS receivable	2,359	2,945
Total assets	4,31,079	4,70,108

Reconciliation of liabilities	31-Mar-26	31-Mar-25
Segment operating liabilities	2,71,390	5,90,769
Non Current Borrowings	450031	43318
Deferred tax liabilities (net)	-	-
Total liabilities	7,21,421	6,34,087



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Secondary segment information (geographic segments)

Particulars	Domestic		Overseas		Total	
	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25	31-Mar-26	31-Mar-25
External revenue by location of Customer	29765	43940	204	1308	29969	45248
Carrying amount of segment assets by location of assets	60505	46911	-	0	60505	46911

35 Related party transactions

Ultimate Holding Company

1. BGR Investment Holdings Company Limited

Subsidiary Companies

1. BGR Boilers Private Limited
2. BGR Turbines Company Private Limited
3. Sravanaa Properties Limited

Joint Venture

1. Mecon-Gea Energy System (India) Ltd (JV)

Fellow Subsidiaries / Enterprises where significant influence exists and enterprises

1. Cuddalore Powergen Corporation Limited
2. Mega Funds India Limited
3. GEA BGR Energy System India Limited
4. Enxio Power Cooling Solutions India Private Limited
5. Progen Systems and Technologies Limited
6. Schmitz India Private Limited
7. Nannilam Property Private Limited
8. BGR Boilers Private Limited
9. BGR Turbines Company Private Limited
10. Sravanaa Properties Limited
11. Sasikala Estate Private Limited
12. ANI Constructions Private Limited
13. Pragati Computers Limited
14. BGR Investment Holdings Company Limited
15. ARGO Rainment LLP
16. Arjun Govin Estate Private Limited
17. BGR Aquaatech India Limited
18. ECOVOLT infra LLP
19. BGR Estate Holdings Limited
20. BGR Odisha Powergen Limited
21. Menmai Estate Private Limited
22. BGR Neo Limited
23. Accord Foundtions Private Limited
24. Bown Granites Company Private Limited
25. BGR Power Limited
26. BGR Tech Limited
27. Schmitz Reinigungskugein and GmbH, Germany
28. BGR Enertech Sdn. Bhd., Malaysia
29. Priya Estate Developers Private Limited
30. Vaani Estates Private Limited
31. Vaani Estates Developers Private Limited

Key Managerial Personnel

1. Mr. Arjun Govind Raghupathy, Managing Director
2. Mr. Ganesan Jeyakrishna, Executive Director
3. Mr. Sundar Srinivasan, Company Secretary & Chief Financial Officer

Non Executive Directors

- Mrs. Sasikala Raghupathy, Non Executive Director
Mr. Krishnamoorthi Meyyanathan, Chairperson, Independent Director
Mr. Surilisubbu Vasudevan, Independent Director
Mr. Narmadha Dhinakaran, Independent Director

Relatives of Key Managerial Personnel

1. Mrs. Sasikala Raghupathy (Mother of Mr. Arjun Govind Raghupathy)
2. Mrs. Vaani Raghupathy (Sister of Mr. Arjun Govind Raghupathy)



Related party transactions

(information provided in respect of revenue items for the year ended Mar 31, 2026 and in respect of assets / liabilities as at Mar 31, 2026)

Rs.Lakhs

Particulars	Ultimate Holding Company	Related parties where significant influence exists and where key management personnel have significant influence	Key Management Personnel	Relatives of Key Management Personnel	Independent Directors	Promoters	2025-26	2024-25
Sales	-	-	-	-	-	-	-	-
Purchases	-	-	-	-	-	-	-	95
a) salaries							-	-
b) Others							-	-
Remuneration							-	-
a) Short Term Employee Benefits	-	-	65	-	-	-	65	62
b) Retirement Benefits			3				3	3
Rent expenses	-	68	-	-	-	-	68	74
Purchase of fixed assets							-	-
Sale of fixed assets							-	-
Others (Royalty)	-	-	25	-	-	-	25	25
Advances given						-	-	-
Repayment of advance given						-	-	-
Promoter's Sitting Fees						1	1	2
Others Sitting Fees	-	-	-	-	12	-	12	11
Other Obligations							-	-
Loans & Advances							-	-
- Loan availed	-	-	-	-	-	-	-	105
- Loan repaid							-	-
Interest on Loan	1,184	1,627	2,535	-	-		5,346	4,854
Sale of investments							-	-
Balances outstanding	(12,803)	(17,134)	(27,393)	(112)	-		(57,442)	(52,182)

36 Impairment of assets

a. Cash generating units :

There is no impairment loss in cash generating units and hence no provision was made in the financial statement.

b. Other assets :

The parent Company has recognised impairment loss of Rs. Nil in the books of accounts towards impairment of Buildings subsequent to closure of Lease period.

37 Registration of charges or satisfaction yet to be registered with Registrar of Companies (ROC)

Satisfaction of Charge pending beyond the statutory period

S.No	Charge Holder Name	Rs.Lakhs	Reasons
1	STATE BANK OF INDIA	4420	Pending NOC from Charge holder
2	AXIS BANK LIMITED	635	Pending NOC from Charge holder
3	ABN AMRO BANK	189	Pending NOC from Charge holder
4	HDFC BANK LIMITED	126	Pending NOC from Charge holder
5	ICICI BANK LIMITED	114	Pending NOC from Charge holder
	TOTAL	5484	

38 Relationship with Struck off Companies

The Group has no transactions \ outstanding balances as on 31.03.2026 with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

39 Provisions

a) The Group has made a provision / transfer of Rs.891 lakhs, (Rs.-4943 lakhs) towards warranty and contractual obligations on the products supplied / contracts executed by the parent company during the year. The expenses on account of provision for warranty is grouped under other expenses.



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b) Movement in provisions

Particulars	Provision for Warranty	Provision for Contractual Obligations	Provision for Warranty	Provision for Contractual Obligations
	2025-26	2025-26	2024-25	2024-25
Opening balance	1180	216	2417	4206
Add :Addition / transfers	23	868	(953)	(3990)
Less : (a) Provision utilised	600	-	-	-
(b) Provision reversed	-	-	(284)	-
Closing balance	1803	1084	1180	216

40 The Consolidated financial statements for the year ending 31.03.2026, have been prepared with the unaudited financial statements of Sravanaa Properties Limited, unaudited financial statements of BGR Boilers Private Limited and unaudited financial statements of BGR Turbines Company Private Limited. The financial statements of the subsidiaries namely, BGR Boilers Private Limited for the year ended 31.03.2025 and 31.03.2026 and BGR Turbines Company Private Limited for the year ended 31.03.2025 and 31.03.2026 are yet to be audited.

41 For the current year, the following entities were consolidated based on unaudited financials and the assets, revenues and cash flows of these entities considered in consolidated financial statements are given below.

Name of the Entity	Rs.Lakhs		
	Assets	Revenue	Cash flows
1) BGR Boilers Private Limited	46985	224	(48)
2) BGR Turbines Company Private Limited	35690	261	(49)
3) Sravanaa Properties Limited	13094	3	6
4) Mecon -GEA Energy System (India) Limited (JV)	239	-	-

42 Assets expected to be recovered within twelve months and after twelve months from the reporting date

Particulars	Rs.Lakhs	
	Upto 12 months	More than 12 months
Inventories	991	-
Trade receivables	8703	31119
Loans	33765	3551
Other financial assets	401	-
Other current assets	321766	-
Total	365626	34670

Liabilities expected to be settled within twelve months and after twelve months from the reporting date

Particulars	Rs.Lakhs	
	Upto 12 months	More than 12 months
Trade payables	112939	8333
Borrowings	2699	450031
Advance from Customers	80774	-
Other financial liabilities	34500	-
Lease Liabilities	726	-
Total	231639	458364

43 In respect of the NUPPL Ghatampur Balance of work contract, there were an additional works to be executed by the parent company beyond the original scope of the contract. The Management has raised a claim of Rs.162042 lakhs with customer, which was subsequently taken up before Conciliation Committee. The Committee has admitted and recommended to the customer for its approval for Rs.33969 lakhs and balance pending for admission.
Pending approval from the customer and revision/amendment of work order, the parent company has charged the cost/expenses incurred to the Statement of Profit and Loss Account. During the audit period ending 31st March 2026, the charge to profit and loss account is Rs.23455 lakhs and cumulative cost charged to P&L from Jul'24 to Mar'26 on account of this is Rs.39583 lakhs.

44 With respect to the NTPS Vijayawada Balance of Plant Works contract, there were additional works executed by the parent Company beyond the original scope of the contract. The Management has raised a claim of Rs 76980 lakhs with the customer. the claim is pending for admission by customer. The parent Company is taking up its claim through legal course.
Pending approval from the customer and revision/amendment of work order, the parent company has charged the cost/expenses incurred to the Statement of Profit and Loss Account. During the audit period ending 31st March 2026, the charge to profit and loss account is Rs.5307 lakhs.

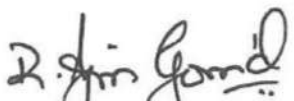


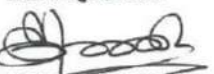
- 45 During the year, based on a detailed assessment of the physical existence, usability, and recoverability of Property, Plant and Equipment, the parent Company has written off assets with an aggregate carrying amount of Rs.2522 lakhs. The write-off primarily relates to assets at closed, terminated, or cancelled project sites that were determined to be non-usable and non-recoverable due to site closure, inaccessibility, physical deterioration, obsolescence, and lack of future economic benefits. Accordingly, these assets have been derecognized.
- 46 During July'25, parent Company received termination order from our customer-TANGEDCO, North chennai and income recognised by the parent Company is upto Dec'24. Parent Company initiated arbitration proceedings against the termination order.
- 47 The VAT authority Rajasthan has passed an assessment order for Financial years 2009-10, 2010-11 & 2011-12 along with interest & penalty totalling to Rs.50869 Lakhs, against which the parent Company, appealed to Supreme Court. In the mean time, Rajasthan Government has introduced an amnesty scheme for settling the tax disputes. Accordingly, the parent company has filed an application for opting the scheme and settle the disputed matter. During the year ended 31st March 2026 as per RVAT order date 10th Feb 2026, the parent Company got waiver of Rs.38394 Lakhs and the parent company has charged the net taxes amounting to Rs.12475 Lakhs to the statement of profit and loss account.
- 48 On November 21, 2025 the Government of India notified four labour codes. The incremental impact of these changes is Rs.536 Lakhs, assessed by the parent Company, has been recognised in the Standalone financial results of the parent Company for the period ended 31st March 2026.
- 49 On 29th September 2025, 9 Public Sector banks (viz State Bank of India, Bank of Baroda, Bank of India, Central Bank of India, Canara Bank, Indian Bank, IDBI Bank, Punjab National Bank and Union Bank of India) have assigned their outstanding dues payable by the parent Company to National Assets Reconstruction Company Ltd (NARCL). At present, only ICICI Bank facilities are still under NPA and not assigned to NARCL. Axis Bank and Kotak Mahindra Bank facilities are Non Fund based and are not classified as NPA. The parent Company is in discussion with NARCL for the documentation of the loan assignment and to finalise the total amount payable to NARCL. Interest charged upto Jun'25 is Rs.16276 lakhs and Interest by NARCL upto Mar'26 is Rs.53220 lakhs is provided in the profit and Loss account. This is done without prejudice to the rights and interests of the parent Company.
- 50 The Honourable NCLT order appointing IRP was made on 17.04.2026. The said order was stayed by Honourable NCLAT on 30.04.2026.
- 51 In case of Sundry creditors, ageing analysis has been carried out by external consultant for the old contracts which was already completed and the balance amount in vendor ledger is not payable due to various factors considering the LD applicability, Risk and cost recovery toward the unexecuted portion of the contract ,other recoveries towards various issues as per the terms & conditions of the contract and on application of Limitation Act,1963. Accordingly, creditors write back has been worked out and arrived valuing to Rs.3306 lakhs during this year.
- 52 The accounts are prepared based on going concern basis only. The Promoters have infused unsecured loan of Rs.43318 lakhs for business operation till date. Though there has been encashment of Bank Guarantees, the parent Company is continuing to execute the contracts and are hopeful of amicable solutions. Further, the parent Company is confident that an agreement will be signed with IDRCL/NARCL effecting substantial reduction both in principal and interest liability during the first quarter of 2026-27.

53 Previous year figures

Figures of previous year have been regrouped / rearranged, wherever required to conform to the current year presentation.

For and on behalf of Board of Directors


ARJUN GOVIND RAGHUPATHY
 Managing Director
 DIN : 02700864

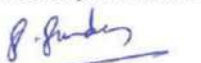

K. MEENATHAN
 Independent Director
 DIN : 07845698



As per our report of even date
 For Anand & Ponnappan
 Chartered Accountants
 Firm Registration No. : 0001115


B. HARIHARAN

Partner
 Membership No.207896


SUNDAR SRINIVASAN
 Company Secretary & Chief Financial Officer

Chennai
 May 25, 2026

BGR ENERGY SYSTEMS LIMITED

Form AOC-I

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures
Part "A": Subsidiaries

Sl. No.	Name of the subsidiary	Reporting period	Reporting currency	Share capital	Reserves & Surplus	Total Assets	Total Liabilities	Investments	Turnover	Profit / (Loss) before taxation	Provision for taxation	Profit / (Loss) after taxation	Proposed Dividend	Rs.in Lakhs	% of shareholding
1	BGR Boilers Private Limited	25-26	INR	13558	(38405)	46985	46985	-	-	(1276)	-	(1276)	-		70%
2	BGR Turbines Company Private Limited	25-26	INR	18400	(6148)	35690	35690	-	13	98	-	98	-		74%
3	Sravanaa Properties Limited	25-26	INR	17	13042	0	0	-	0	-	17	-	-		100%

For and on behalf of Board of Directors


ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864


K.MEYANATHAN
Independent Director
DIN : 07845698



As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 0001115


B HARIHARAN
Partner
Membership No.207896


SUNDAR SRINIVASAN
Company Secretary & Chief Financial Officer

Chennai
May 25, 2026

BGR ENERGY SYSTEMS LIMITED		
Form AOC-I		
Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures		
Part "B": Associates and Joint Ventures		
		Rs.in Lakhs
	Name of Associates/Joint Ventures	Mecon-Gea Energy System (India) Ltd (JV)
1	Latest audited Balance Sheet Date	Mar 31, 2026
2	Shares of Associate /Joint Ventures held by the company on the year end	
	Amount of Investment in Associates/Joint Venture	
	Extend of Holding %	10% & 30% on two different construction projects
3	Description of how there is significant influence	
4	Reason why the associate/joint venture is not consolidated	Consolidated
5	Net worth attributable to Shareholding as per latest audited Balance Sheet	
6	Profit / (Loss) for the year	Rs. (0.21) Lakhs
	i. Considered in Consolidation	Rs. (0.21) Lakhs
	ii. Not Considered in Consolidation	Rs. Nil

For and on behalf of Board of Directors



ARJUN GOVIND RAGHUPATHY
Managing Director
DIN : 02700864



K. MEENATHAN
Independent Director
DIN : 07845698

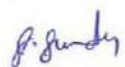
As per our report of even date
For Anand & Ponnappan
Chartered Accountants
Firm Registration No. : 000111S





B HARIHARAN
Partner
Membership No.207896





SUNDAR SRINIVASAN
Company Secretary & Chief Financial Officer

Chennai
May 25, 2026

BGR ENERGY SYSTEMS LIMITED			
Restated Consolidated Financial Statements for the year ended 31.03.2024			Rs.Lakhs
Particulars	Reported Amount Mar24	Restated Adjustments	Restated Amount Mar24
ASSETS			
I Non Current Assets			
(a) Property, plant and equipment	29641	(0.21)	29641
(b) Investment Property	252		252
(c) Other Intangible assets	-	-	-
(d) Goodwill	59		59
(e) Financial assets			
(i) Investments	205		205
(ii) Trade receivables	12596	303	12899
(iii) Loans	3513	32	3545
(iv) Other financial assets	-		-
(f) Deferred tax assets (net)	-	-	-
	46266	335.12	46601
II Current Assets			
(a) Inventories	4336		4336
(b) Financial assets			
(i) Trade receivables	58000	(721)	57279
(ii) Cash and cash equivalent	2396	0.56	2397
(iii) Bank balance other than (ii) above	6625		6625
(iv) Loans	43175		43175
(V) Other financial assets	411	391	802
(c) Other current assets	274613	(898)	273715
	389556	(1228)	388328
TOTAL ASSETS	435822	(892)	434930
EQUITY AND LIABILITIES			
I Equity			
(a) Equity Share Capital	7216	-	7216
(b) Other Equity	(73300)	5075	(68225)
Equity attributable to owners of BGR Energy Systems Limited	(66084)	5075	(61009)
II Non-Controlling Interest	(4542)		(4542)
Total Equity	(70626)	5075	(65551)
III Liabilities			
Non Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	43213		43213
(ii) Lease Liability	223		223
(iii) Trade payables			-
Total Outstanding dues of micro enterprises and small enterprises	-		-
Total Outstanding dues of creditors other than micro enterprises and small enterprises	10259	1163	11422
(b) Provisions	12946	(5288)	7658
(c) Deferred tax liabilities (net)	-		-
	66641	(4126)	62515
Current Liabilities			
(a) Financial Liabilities			
(i) Borrowings	139787		139787
(ii) Lease Liability	37		37
(iii) Trade payables			
Total Outstanding dues of micro enterprises and small enterprises	14790	2794	17584
Total Outstanding dues of creditors other than micro enterprises and small enterprises	105551	(10800)	94751
(iv) Other financial liabilities	138929	25857	164786
(b) Other Current Liabilities	39648	(19816)	19832
(c) Provisions	1065	123	1188
(d) Current tax liabilities (net)	-		-
	439807	(1842)	437965
Total Liabilities	506448	(5967)	500481
TOTAL EQUITY AND LIABILITIES	435822	(892)	434930



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BGR ENERGY SYSTEMS LIMITED**Restated Consolidated Financial Statements for the year ended 31.03.2024****Rs.Lakhs**

Particulars		Reported Amount Mar24	Restated Adjustments	Restated Amount Mar24
I	Revenue from operations	101236	102.00	101338
II	Other income	10906	(88.62)	10817
III	Total Income (I + II)	112142	13.38	112155
IV	Expenses			
	(a) Cost of raw materials and components consumed	84314	(274.79)	84039
	(b) Cost of manufacturing and construction	8130		8130
	(c) Other direct costs	2720		2720
	(d) Changes in inventories of work in progress	-		-
	(e) Employee benefits expenses	11531	(110.31)	11421
	(f) Finance costs	44510	(32.50)	44478
	(g) Depreciation and amortization expenses	1339	0.07	1339
	(h) Other expenses	28142	51	28193
	Total expenses (IV)	180686	(367.03)	180319
V	Profit/(Loss) before exceptional items and tax (III-IV)	(68544)	380.41	(68164)
VI	Exceptional items	-	-	-
VII	Profit/(Loss) before tax (V)+(VI)	(68544)	380.41	(68164)
VIII	Tax expenses			
	(i) Current tax	-		-
	(ii) Deferred tax	7536	1.18	7537
	(iii) Tax - Earlier years	-		-
IX	Profit/(Loss) for the year (VII)-(VIII)	(76080)	379.23	(75700.77)
X	Other Comprehensive Income			
	(i) items that will not be reclassified to profit or loss	546	(7.00)	539
	(ii) items that will be reclassified to profit or loss	(1)	-	(1)
XI	Total Comprehensive Income for the year (IX+X) (Comprising Profit and other Comprehensive Income for the year)	(75535)	372.23	(75163)
	Profit or Loss attributable to:			
	Owners of BGR Energy Systems Ltd	(75818)	0.00	(75818)
	Non Controlling Interests	(262)	0.00	(262)
		(76080)	379.00	(75701)
	Total Comprehensive Income attributable to:			
	Owners of BGR Energy Systems Ltd	(75273)	0.00	(75273)
	Non Controlling Interests	(262)	0.00	(262)
		(75535)	0.00	(75535)
XII	Earnings per Equity Share (for Continuing Operation):			
	1.Basic	(105.07)	0.01	(105.06)
	2.Diluted	(105.07)	0.01	(105.06)

