

Independent Auditor's Report

To the members of BGR Turbines Company Private Limited

Report on the Audit of the Financial Statements

Qualified Opinion

1. We have audited the accompanying financial statements of BGR Turbines Company Private Limited ("the Company"), which comprise the Balance Sheet as at 31 March, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flow and the Statement of Changes in Equity for the year ended, and notes to the financial statements, including a summary of material accounting policies and other explanatory information.
2. In our opinion and to the best of our information and according to the explanations given to us, except for the possible effects of the matter described in the Basis of Qualified Opinion section of our report, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including Other Comprehensive Income), its cash flows and the changes in equity for the year ended on that date.

Basis for Qualified Opinion

3. As disclosed Note 1.1, 1.2 and 7 to the accompanying financial statements, the Company has outstanding balances recoverable from its Holding Company, BGR Energy Systems Limited ("BGRE"), comprising trade receivables of ₹12,116.76 lakhs, customer retention of ₹13,298.57 lakhs, and other receivables of ₹1,430.81 lakhs as at 31 March 2025. The recoverability of these balances is dependent upon BGRE's financial position and its ability to discharge its obligations, including realization under the Project Completion Framework Agreement ("PCFA"). In view of BGRE's financial position, the ongoing restructuring of its borrowings and the pending completion of milestones under the PCFA, we were unable to obtain sufficient appropriate audit evidence to support management's assessment of the recoverability of these balances. Accordingly, we are unable to determine whether any adjustments are required to the carrying amounts of these receivables and the consequential impact, if any, on the Company's financial position, financial performance and cash flows for the year ended 31 March 2025.
4. We conducted our audit in accordance with the Standards on Auditing as specified under Section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our Qualified Opinion.

Material Uncertainty Related to Going Concern

5. We draw attention to Note 1.3 to the accompanying financial statements, which indicates that the Company's ability to meet its obligations as they fall due is dependent upon the collection of receivables from BGRE, whose financial position is constrained, and the outcome of ongoing discussions with its creditor for settlement of outstanding dues. Further, the management has not finalized the future business plans of the Company. As further described in the said note, these conditions, together with the matters set out in Note 1.1 and 1.2, indicate the existence of a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Our opinion is not modified in respect of this matter.

Emphasis of Matter - Non- Compliance with Companies Act, 2013

6. We draw attention to Note 1.4 to the accompanying financial statements, which describes that the Company has not complied with the provisions of Section 92, 96, 129 and 137 of the Act with respect to filing of annual return with the Registrar of Companies (ROC), conducting its Annual General Meeting ('AGM'), laying its financial statements in such AGM, and submission of financial statements with the ROC within the prescribed timelines for the year ended 31 March 2025. In addition to this, as further described in the aforementioned note, the Company was also in non-compliance with the provision of Sections 96 and 129 of the Act due to delay in conducting its AGM in earlier years including for the year ended 31 March 2024 within the prescribed timelines. The Company has further represented that it has regularized similar defaults relating to such non-compliances pertaining to the earlier financial years. The management is of the view that the impact of such non-compliances, including fines and penalties that may be levied under the Act, would not be material to the accompanying financial statements. Our opinion is not modified in respect of this matter.

Information other than Financial Statements and Auditor's Report thereon

7. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director's Report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read with the other information and, in doing so, consider whether the other information is material inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Financial Statements

8. The accompanying financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act, and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection

and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the financial statements, the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
10. The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
12. As part of our audit in accordance with Standards on Auditing, specified under Section 143(10) of the Act we exercise professional judgement and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
 - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting policies estimates and related disclosures made by the management;
 - Conclude on the appropriateness of Board of Directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern;

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

Materiality represents the magnitude of misstatements in the Ind AS financial statements that, individually or in the aggregate, could reasonably be expected to influence the economic decisions of a reasonably knowledgeable user of those financial statements. We consider both quantitative and qualitative factors in (i) planning the scope of our audit procedures and evaluating the results of our audit work, and (ii) assessing the effect of any identified misstatements on the Standalone Ind AS financial statements.

13. 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.

Other Matter

14. The financial statements of the Company for the year ended 31 March 2024 were audited by the predecessor auditor, M/s Walker Chandiook & Co LLP, who have expressed a qualified opinion on those financial statements vide their audit report dated 31 October 2025.

Report on Other Legal and Regulatory Requirements

15. Based on our audit, we report that the provisions of Section 197 read with Schedule V to the Act are not applicable to the Company, since the Company is not a public company as defined under section 2(71) of the Act. Accordingly, reporting under section 197(16) is not applicable.
16. As required by the Companies (Auditor's Report) Order, 2020 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act we give in the Annexure A, a statement on the matters specified in Paragraphs 3 and 4 of the Order, to the extent applicable.
17. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, that:
 - a) Except for the possible effects of the matters described in paragraph 3 under the Basis for Qualified Opinion section, we have sought and except for the matter described in the Basis for Qualified Opinion section, obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying financial statements;
 - b) Except for the possible effects of the matters described in paragraph 3 under the Basis for Qualified Opinion section and paragraph 17 (i) (vi), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The financial statements dealt with by this report are in agreement with the books of account;
 - d) Except for the possible effects of the matter described in paragraph 3 under the Basis for Qualified Opinion section, in our opinion, the aforesaid financial statements comply with Ind AS specified under section 133 of the Act;

- e) The matters described in paragraph 3 under the Basis for Qualified Opinion section and paragraph 5 under the Material uncertainty related to Going concern section, in our opinion, may have an adverse effect on the functioning of the Company;
- f) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors are disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 17(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);
- h) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed a Qualified opinion; and
- i) With respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company, as detailed in Note 26 to the financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2025;
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended 31 March 2025;
- iv.
- a. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 35(e) to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any persons or entities, including foreign entities ('the intermediaries'), with the understanding, whether recorded in writing or otherwise, that the intermediary shall, whether, directly or indirectly lend or invest in other persons or entities in any manner whatsoever by or on behalf of the Company ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;
- b. The management has represented that, to the best of its knowledge and belief, as disclosed in Note 35(e) to the financial statements, no funds have been received by the Company from any persons or entities, including foreign entities ('the Funding Parties'), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding ('Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, and

- c. Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representation under sub-clauses (a) and (b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended 31 March 2025;
- vi. As described in Note 34 to the financial statements and based on the examination which included test checks, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software.

Further, during the course of our audit, we did not come across any instance of audit trail feature being tampered with.

Furthermore, the audit trail has been preserved by the Company as per the statutory requirements for record retention. However, in respect of the financial year 2023-24, the audit trail functionality was activated only from 9 January 2024. The audit trail has been maintained and preserved in accordance with applicable statutory requirements from that date onwards.

For **V. Narayanan & Co**
Chartered Accountants
Firm's Registration No.: 002398S

Dileep

Dileep Thammana
Partner
Membership No.: 227512
UDIN: 26227512YCWYQJ9786



Place: Chennai
Date: 28 May 2026

Annexure A referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of BGR Turbines Company Private Limited on the financial statements for the year ended 31 March 2025.

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

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

(B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) The property, plant and equipment have been physically verified by the management during the year, and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification program adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of all immovable properties held by the Company as disclosed in Note 4 to the financial statements, are held in the name of the Company.
- (d) The Company has adopted cost model for its Property, Plant and Equipment and its intangible Assets. Accordingly, reporting under clause 3(i)(d) of the order is not applicable to the Company.
- (e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) The Company does not have any inventory. Accordingly, reporting under the provisions of clause 3(ii)(a) of the Order is not applicable to the Company.

(b) The Company has not been sanctioned working capital limits by banks or financial institutions on the basis of security of current assets at any point of time during the year. Accordingly, reporting under clause 3(ii)(b) of the Order is not applicable to the Company.
- iii. The Company has not made any investment in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured to companies, firms, Limited Liability Partnerships (LLPs) or any other parties covered in the register maintained under Section 189 of the Act. Accordingly, reporting under clause 3(iii) of the Order is not applicable to the Company.
- iv. The Company has not entered into any transactions covered under Sec 185 and 186 of the Act. Accordingly, reporting under clause 3(iv) of the Order is not applicable to the Company.
- v. In our opinion, and according to the information and explanation given to us, the Company has not accepted any deposits or there is no amount which has been considered as deemed deposit within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

Annexure A referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of BGR Turbines Company Private Limited on the financial statements for the year ended 31 March 2025.

- vi. The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's business activities. Accordingly, reporting under clause 3(vi) of the order is not applicable.
- vii. (a) In our opinion and according to the information and explanations given to us the Company is regular in depositing undisputed statutory dues including Goods and services tax, Provident fund, Employees State Insurance, Income tax, Duty of Customs, Cess and other material statutory dues, as applicable, with the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred to in sub-clause (a) above that have not been deposited with the appropriate authorities on account of any dispute except for the following:

Name of the Statute	Nature of Dues	Gross Amount (₹ in lakhs)	Amount Paid Under Protest (₹ in lakhs)	Period to which the Amount Relates	Forum where Dispute is Pending
Goods and Services Tax Act, 2017	Tax and penalty	101.70	9.25	July 2017 – January 2019	High Court of Madras

Subsequent to FY 2024–25, the Company has deposited ₹9.25 lakhs in connection with the above dispute.

- viii. According to the information and explanations given to us, no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been recorded in the books of accounts.
- ix. According to the information and explanations given to us, we report that the Company does not have any loans or other borrowings from any lender. Accordingly, reporting under clause 3(xi) of the order is not applicable to the company.
- x.
- a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments), during the year. Accordingly, reporting under clause 3(x)(a) of the Order is not applicable to the Company.
- b) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or (fully, partially or optionally) convertible debentures during the year. Accordingly, reporting under clause 3(x)(b) of the Order is not applicable to the Company.

Annexure A referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of BGR Turbines Company Private Limited on the financial statements for the year ended 31 March 2025.

- xi.
- a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period covered by our audit.
 - b) According to the information and explanations given to us including the representation made to us by the management of the company, no report under sub-section 12 of Section 143 of the Act has been filed by the auditors in form ADT 4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government for the period covered by our audit.
 - c) According to the information and explanations given to us, including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to it. Accordingly, reporting under clause 3(xii) of the Order is not applicable to the Company.

xiii. In our opinion and according to the information and explanations given to us, all transactions entered into by the Company, with the related parties are in compliance with Section 188 of Act.

According to the information and explanations given to us, the provisions of Section 177 of the Companies Act, 2013 relating to the constitution of an Audit Committee are applicable to the Company. However, the Company has not constituted an Audit Committee as required under the said provisions. Consequently, the requirements of Section 177 with respect to approval and review of related party transactions were not complied with.

Further, the details of such related party transactions have been disclosed in the financial statements etc., as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015, as prescribed under section 133 of the Act.

xiv. In our opinion and according to the information and explanations given to us, the Company does not have an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

xv. According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with them and accordingly, provisions of Section 192 of the Act 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, 1934. Accordingly, reporting under clause 3(xvi) (a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CIC.

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Annexure A referred to in Paragraph 16 of the Independent Auditor's Report of even date to the members of BGR Turbines Company Private Limited on the financial statements for the year ended 31 March 2025.

- xvii. The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.
- xviii. There has been resignation of the statutory auditors during the year and based on the information and explanations given to us by the management and the response to our communication with the outgoing auditors, there have been no issues, objections or concerns raised by the outgoing auditors.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information in the financial statements, our knowledge of the plans of the Board of Directors and management and based on our examination of the evidence supporting the assumptions, in our opinion, a material uncertainty exists as on the date of the audit report, due to conditions and absence of new contracts, as detailed in Note 1.3 of the accompanying financial statements, indicating that the 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. Refer 'Material Uncertainty related to Going Concern' in our audit report.
- xx. According to the information and explanations given to us, the Company does not fulfill the criteria as specified under section 135(1) of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.
- xxi. The reporting under clause 3(xxi) of the Order is not applicable in respect of audit of financial statements of the Company. Accordingly, no comment has been included in respect of said clause under this report.

For **V. Narayanan & Co**
Chartered Accountants
Firm's Registration No.: 002398S



Dileep Thammana
Partner
Membership No.: 227512
UDIN: 26227512YCWYQJ9786



Place: Chennai
Date: 28 May 2026

Annexure B to the Independent Auditor's Report of even date to the members of BGR Turbines Company Private Limited, on the financial statements for the year ended 31 March 2025

Independent Auditor's report on the Internal Financial Controls with reference to the financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of BGR Turbines Company Private Limited ("the Company") as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with reference to Financial Statements

3. Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India ('the ICAI') prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements were established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the Company's internal financial controls with reference to financial statements.

Annexure B to the Independent Auditor's Report of even date to the members of BGR Turbines Company Private Limited, on the financial statements for the year ended 31 March 2025

Meaning of Internal Financial Controls with reference to Financial Statements

6. A company's internal financial controls with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to financial statements include those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) 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 financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Qualified Opinion

8. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at 31 March 2025:

As disclosed in Note 1.1 and Note 1.2 to the accompanying financial statements, the Company's entire outstanding receivables are from its Holding Company and, although the management has assessed these balances as fully recoverable, the internal financial controls with reference to financial statements were not operating effectively to ensure appropriate evaluation, documentation and periodic review of their recoverability or to support management's assessment, which could potentially result in the Company's ability in establishing reasonable certainty regarding their ultimate realization.

9. A 'material weakness' is a deficiency or a combination of deficiencies, in internal financial controls with reference to financial statements, such that there is a reasonable possibility that a material misstatement of the company's annual or internal financial statements will not be prevented or detected on a timely basis.

Annexure B to the Independent Auditor's Report of even date to the members of BGR Turbines Company Private Limited, on the financial statements for the year ended 31 March 2025

10. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements as at 31 March 2025, based on the internal financial controls with reference to financial statements 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, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as at 31 March 2025.
11. We have considered the material weakness identified and reported above in determining the nature, timing and extent of audit tests applied in our audit of the financial statements of the Company as at and for the year ended 31 March 2025, and this material weaknesses affected our opinion on the financial statements of the Company and we have issued a qualified opinion on the financial statements of the Company.

For **V. Narayanan & Co**
Chartered Accountants
Firm's Registration No.: 002398S



Dileep Thammana
Partner
Membership No.: 227512
UDIN: 26227512YCWYQJ9786



Place: Chennai
Date: 28 May 2026

BGR Turbines Company Private Limited
Balance sheet as at 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Note	As at 31 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Property, plant and equipment and Intangible assets			
- Property, plant and equipment	4	5,044.10	5,044.18
- Intangible assets	4	-	-
Non-current tax assets (net)	5	-	22.92
Other non-current assets	6	9.25	9.25
Total Non-Current Assets		5,053.35	5,076.35
Current assets			
Financial assets			
- Trade receivables	7	12,116.76	11,945.18
- Cash and cash equivalents	8	69.22	30.21
- Bank balance other than cash and cash equivalents		1,375.07	1,375.07
- Other financial assets	9	14,729.38	14,449.69
Other current assets	6	1.71	2.11
Total Current assets		28,292.14	27,802.26
Total assets		33,345.49	32,878.61
Equity and liabilities			
Equity			
Equity share capital	10	18,400.44	18,400.44
Other equity	11	(6,245.37)	(6,257.58)
Total of Equity		12,155.07	12,142.86
Non-Current Liabilities			
Provisions	12	4.59	3.74
Total of Non-Current Liabilities		4.59	3.74
Current Liabilities			
Financial liabilities			
- Trade payables		-	-
- Total outstanding dues of micro and small enterprises	13	-	-
- Total outstanding dues of creditors other than micro and small enterprises	13	7,970.60	7,796.26
- Other financial liabilities	14	13,213.30	12,934.15
Other current liabilities	15	1.29	0.96
Provisions	12	0.64	0.64
Total Current Liability		21,185.83	20,732.01
Total Equity and Liabilities		33,345.49	32,878.61
Summary of material accounting policies	1-3		
Notes 1 to 35 form an integral part of these financial statements			
This is the balance sheet referred to in our report of even date.			

For V Narayanan & Co.
Chartered Accountants
Firm's Registration No.: 002398S

Dileep

Dileep Thammana
Partner
Membership No: 227512

Place: Chennai
Date : 28 May 2026



For and on behalf of the Board of Directors of
BGR Turbines Company Private Limited
CIN: U40300TN2009PTC070541

Ram Naresh Singh Tomar
Ram Naresh Singh Tomar
Director
DIN 08784935

Place: Chennai
Date : 28 May 2026

Arjun Govind Raghupathy
Arjun Govind Raghupathy
Director
DIN: 02700864

Place: Chennai
Date : 28 May 2026



BGR Turbines Company Private Limited
Statement of profit and loss for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Note	Year ended 31 March 2025	Year ended 31 March 2024
Income			
Revenue from operations	16	-	-
Other income	17	94.56	88.90
Total income		94.56	88.90
Expenses			
Purchases of stock in trade	18	-	-
Employee benefits expense	19	29.77	27.52
Depreciation and amortisation expense	20	0.08	0.11
Other expenses	21	43.15	46.91
Total expenses		73.00	74.54
Profit before tax		21.56	14.36
Tax expense			
- Current tax	22	9.45	2.64
- Deferred tax		-	-
		9.45	2.64
Profit for the year		12.11	11.72
Other comprehensive income			
i) Items that will not be reclassified to profit or loss			
- Re-measurement gain/ (loss) on defined benefit plans		0.10	(0.96)
- Income tax relating to items that will not be reclassified to profit or loss		-	-
Other comprehensive Income/ (loss) for the year, net of tax		0.10	(0.96)
Total comprehensive Income/ (loss) for the year		12.21	10.76
Earnings per equity share			
Basic and diluted	24	0.01	0.01
Nominal value of share (in ₹)		10.00	10.00
Summary of material accounting policies			
Notes 1 to 35 form an integral part of these financial statements			

This is the statement of profit and loss referred to in our report of even date.

For V Narayanan & Co.
Chartered Accountants
Firm's Registration No.: 002398S

Dileep

Dileep Thammana
Partner
Membership No: 227512

Place: Chennai
Date : 28 May 2026



For and on behalf of the Board of Directors of
BGR Turbines Company Private Limited
CIN: U40300TN2009PTC070541

Ram Natesh Singh Tomar
Ram Natesh Singh Tomar
Director
DIN 08784935

Place: Chennai
Date : 28 May 2026

Arjun Govind Raghupathy
Arjun Govind Raghupathy
Director
DIN: 02700864

Place: Chennai
Date : 28 May 2026



BGR Turbines Company Private Limited
Statement of Cash flow for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

	Year ended 31 March 2025	Year ended 31 March 2024
A. Cash flows from operating activities		
Profit/(loss) before tax	21.56	14.36
Adjustments		
- Depreciation and amortisation expense	0.08	0.11
- Provision for gratuity	0.59	0.48
- Provision for compensated absences	0.36	(0.41)
- Impairment of doubtful advances	17.86	-
- Interest income	(94.56)	(88.90)
Operating (loss) before working capital changes	(54.11)	(74.36)
Changes in working capital:		
(Increase) in other financial assets	(279.70)	(188.04)
(Increase) in other non-current assets	(0.004)	(9.12)
(Increase) in trade receivables	(171.58)	(56.69)
Decrease in other current asset	0.41	(31.50)
Increase in trade payables	174.34	112.70
Increase in other financial liabilities	279.15	189.28
(Decrease)/increase in other liabilities	0.33	(0.21)
Cash (used in) operating activities	(51.16)	(57.94)
Direct taxes (paid) / refund, net	(4.39)	(4.21)
Net cash (used) in operating activities	(55.55)	(62.15)
B. Cash flow from investing activities		
Interest received	94.56	88.90
Net cash generated from investing activities	94.56	88.90
C. Net change in cash and cash equivalents	39.01	26.75
D. Cash and cash equivalents at the beginning of the year	30.21	3.46
E. Cash and cash equivalents at the end of the year	69.22	30.21
Components of cash and cash equivalents (Also, refer note 8)		
Cash on hand	0.41	0.04
Balances with banks		
- In current accounts	68.81	30.17
- In deposit account (with maturity upto 3 months)	-	-
Cash and cash equivalents at the end of the year	69.22	30.21

Notes 1 to 35 form an integral part of these financial statements

This is the cash flow statement referred to in our report of even date.

For V Narayanan & Co.
Chartered Accountants
Firm's Registration No.: 002398S

Dileep

Dileep Thammana
Partner
Membership No: 227512

Place: Chennai
Date : 28 May 2026



For and on behalf of the Board of Directors of
BGR Turbines Company Private Limited
CIN: U40300TN2009PTC070541

Ram Naresh Singh Tomar
Ram Naresh Singh Tomar
Director
DIN 08784935

Place: Chennai
Date : 28 May 2026

Arjun Govind Raghupathy
Arjun Govind Raghupathy
Director
DIN: 02700864

Place: Chennai
Date : 28 May 2026



BGR Turbines Company Private Limited

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

(All amounts are in lakhs of Indian Rupees (₹), unless otherwise stated)

A. Equity Share Capital

Balance as at 1 April, 2023

Issued during the year

Balance as at 31 March, 2024

Issued during the year

Balance as at 31 March, 2025

	Number	Amount
Balance as at 1 April, 2023	18,40,04,400.00	18,400.44
Issued during the year	-	-
Balance as at 31 March, 2024	18,40,04,400.00	18,400.44
Issued during the year	-	-
Balance as at 31 March, 2025	18,40,04,400.00	18,400.44

B. Other Equity

Particulars	Reserves and Surplus	Accumulated other comprehensive income	Total Other Equity
	Retained Earnings	Remeasurement of post employment benefit obligation	
Balance as at 01 April 2023	(6,276.73)	8.39	(6,268.34)
Profit for the year	11.72	-	11.72
Other comprehensive income for the year, net of tax	-	(0.96)	(0.96)
Balance as at 31 March 2024	(6,265.01)	7.43	(6,257.58)
Profit for the year	12.11	-	12.11
Other comprehensive income for the year, net of tax	-	0.10	0.10
Balance as at 31 March 2025	(6,252.90)	7.53	(6,245.37)

Notes 1 to 35 form an integral part of these financial statements

This is the statement of changes in equity referred in our report of even date.

For V Narayanan & Co.

Chartered Accountants

Firm's Registration No.: 002398S

Dileep

Dileep Thammana

Partner

Membership No: 227512

Place: Chennai

Date: 28 May 2026



For and on behalf of the Board of Directors of

BGR Turbines Company Private Limited

CIN: U40300TN2009PTC070541

Ram Naresh Singh Tomar

Ram Naresh Singh Tomar

Director

DIN 08784935

Place: Chennai

Date: 28 May 2026

Arjun Govind Raghupathy

Arjun Govind Raghupathy

Director

DIN: 02700864

Place: Chennai

Date: 28 May 2026



1 Corporate information

BGR Turbines Company Private Limited ("the Company") was incorporated on 23 January 2009. Subsequently, on 30th September 2010, upon Hitachi, Ltd (HTC) subscription to the shares of the Company, the Company became a Joint Venture. The Company is in the business of Designing, Manufacture, Inspection, Installation, Commission, Sale and/or Service of Steam Turbines and Generators of 660MW/800MW/1000MW Super Critical Technology. The Company was awarded contract for design, engineering, transportation to site, testing and conduct guarantee tests for the Steam Turbine Generator package ("the project") by BGRE for projects with National Thermal Power Corporation Limited (NTPC).

- 1.1 Consequent to the global business integration of Hitachi, Ltd (HTC) with Mitsubishi Heavy Industries (MHI) w.e.f. 1 February 2014, concerns arose between HTC and BGR Energy Systems Limited (BGRE) regarding status of qualified steam generator manufacturer and timely execution of NTPC Projects. Subsequently, these concerns have been resolved by and through a Settlement and Separation Agreement (SSA) executed by and amongst Hitachi Limited Japan (HTC), Hitachi Power Europe GmbH (HPE), BGR Energy Systems Limited (BGRE), BGR Boilers Private Limited (BGRB) and the Company dated 30 March 2016, which inter alia reinforces the understanding for execution of NTPC contracts for Lara Project (800 MW) Super Critical Technology.

Pursuant to the Settlement and Separation Agreement ('SSA') entered into on 30 March 2016 by and among the parties, with legal effect from 29 April 2016, and in accordance with the Project Completion Framework Agreement ('PCFA') executed by and among Hitachi Limited Japan (HTC), Hitachi Power Europe GmbH (HPE), BGR Energy Systems Limited (BGRE), BGR Boilers Private Limited (BGRB) and the Company on 30 June 2021, as amended on 22 March 2023, the management had envisaged the successful completion of the existing NTPC contract for the Lara (2 × 800 MW) Supercritical Steam Turbine and Generator Project by 31 March 2022. Subsequently, pursuant to the Board resolution dated 30 September 2022, the expected completion date of the NTPC Project was extended to 31 March 2023.

As at 31 March 2025, all major contractual milestones, including Completion of Facility, Operational Acceptance and Completion of the Defect Liability Period for both units, have been achieved. All supplies under the contract have been substantially completed, and the related documentary reconciliation has also been finalized. Discussions have been initiated with NTPC for short closure of the balance supplies relating to mandatory spares and issuance of a final amendment to the contract.

- 1.2 The Company has trade receivable of ₹ 12,116.76 lakhs (31 March 2024: ₹ 11,945.18 lakhs), customer retention of ₹ 13,298.57 lakhs (31 March 2024: ₹ 13,018.88 lakhs) and other receivable of ₹ 1,430.81 lakhs (31 March 2024: ₹ 1,430.81 lakhs) from its Holding Company, BGR Energy Systems Limited ('BGRE') as at 31 March 2025. The management has evaluated the recent events at the holding company, as detailed below, including the proposed steps to overcome and are in discussions with BGRE to determine a plan to realize these amounts.

Recent events at the Holding Company:

- a) Operational cash losses and working capital deficit on account of variable and fixed overheads (including finance and admin expenses);
b) The Holding Company has incurred a net loss of ₹ 1,27,982 lakhs during the period ended 31 March, 2026 and has accumulated losses amounting to ₹ 2,67,204 lakhs, which resulted in erosion in net worth of the Holding Company;
c) The Holding company's loans classified as NPAs have been assigned to National Asset Reconstruction Company Limited (NARCL) under Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act, 2002), which is expected to reduce debt and improve financial stability. The Holding Company anticipates a significant reduction in its existing debt obligations, which is expected to improve its net worth, liquidity position, and overall financial stability. However, the final terms of this assignment is still under negotiations and yet to be finalized.

Pursuant to the PCFA, BGR Energy Systems Limited ("BGRE") is entitled to receive the "Outstanding PCFA Amount" of USD 20 million from the Hitachi entities upon achievement of the milestones pertaining to the Meja project as specified under the PCFA agreement. Based on the understanding with BGRE, the amount received under PCFA and subsequent addendum and MoU in terms thereof, will be utilized towards settlement of the outstanding receivables due to the Company from BGRE.

With respect to the balance receivable, management is in active discussions with BGRE regarding an appropriate plan and, management is of the view that the amounts receivable from BGRE are fully recoverable and, accordingly, no impairment provision has been considered necessary as at 31 March 2025.

- 1.3 The outstanding liabilities amounts to ₹ 21,132.25 lakhs as at 31 March 2025. Based on the above, management expects that a significant portion of the outstanding payables would be settled upon receipt of amounts under the PCFA. In respect of the remaining obligations, the Company is evaluating options including discussions with its creditor, Hitachi, Ltd (HTC) (which is a related party and also a counterparty to the aforesaid agreements), for short closure or structured/partial settlement of the outstanding dues. As at the date of approval of these financial statements, such arrangements are under evaluation and have not yet been finalised.

The Company does not have any other contracts or obligations apart from the existing NTPC Projects. Management is currently evaluating potential business opportunities and new projects.

Having regard to the above factors and management's assessment of the Company's liquidity position, management believes that the Company will be able to meet its obligations as they fall due and continue its operations in the foreseeable future. Accordingly, these financial statements have been prepared on a going concern basis.



- 1.4 The Company could not hold the Annual General Meeting, lay before the shareholders the financial statements for the year ended 31 March 2025 within the stipulated time and accordingly, could not ensure prescribed compliance under the provisions of section 92, 96, 129 and 137 of the Companies Act, 2013. The management of the Company now proposes to immediately hold the Annual General Meeting and lay down the audited financial statements before the shareholders. The Company's management further intends to initiate appropriate steps to ensure due compliances as required under the Act upon receipt of any communication or intimation from the authorities in this regard.

Further, the Company had also not complied with the provisions of Sections 92, 96, 129 and 137 of the Companies Act, 2013 for the year ended 31 March 2024. The Company held its AGM on 31 October 2025 and has laid the audited financial statements for financial year 2023-24 before the shareholders and has regularized the defaults under section 92 and 137 of the Companies Act, 2013 by filing the annual return and financial statements on 31 October 2025, with the relevant authorities along with the late fees. The Company has also regularized similar defaults relating to such non-compliances pertaining to the earlier financial years.

The management is of the view that the impact of afore-mentioned non-compliances including fines and penalties that may be levied under the Act, would not be material to the financial statements and does not impact the functioning of the Company. Accordingly, no adjustments are considered necessary in these financial statements in respect of the above matter.

2 Basis of preparation of financial statements

2.1 General information and statement of compliance with Indian Accounting Standards (Ind AS)

These financial statements of the Company have been prepared in accordance with Ind AS per Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standard) Amendment Rules, 2016 as notified under section 133 of Companies Act, 2013 (the "Act") and other relevant provisions of the Act.

The financial statements as at and for the year ended 31 March 2025 are approved and authorized for issue by the board of directors on 28 May 2026.

The financial statements of the Company are prepared in accordance with Indian Accounting Standards (Ind AS) under the historical cost convention on the accrual basis. These financial statements are presented in lakhs of Indian rupees (₹) rounded off to two decimals which is also the Company's functional currency. Figures for the previous years have been regrouped/rearranged wherever considered necessary to conform to the current year classification.

2.2 Use of Estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires the management to make estimates, judgments and assumptions. These estimates, judgments and assumptions affect the application of accounting policies and the reported amounts of assets and liabilities, the disclosures of contingent assets and liabilities at the date of the financial statements and reported amounts of revenues and expenses during the period. Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.

3 Summary of material accounting policies

3.1 Overall considerations

These financial statements have been prepared using the significant accounting policies and measurement basis summarized below. These accounting policies have been used throughout all the periods presented in the financial statements.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

Current and non-current classification

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

3.2 Foreign currency translation

Foreign currency transactions and balances

A foreign currency transaction shall be recorded, on initial recognition in the functional currency, by applying to the foreign currency amount the spot exchange rate between the functional currency and the foreign currency at the date of the transaction. Exchange differences arising on actual payments/realisations and year-end restatements are recognised in the Statement of profit and loss.

Non-monetary items are not re-translated at year-end and are measured at historical cost (translated using the exchange rates at the transaction date).



3.3 Revenue from contracts with customers

To determine whether to recognise revenue from contracts with customers, the Company follows a 5-step model:

1. Identifying the contract with customer
2. Identifying the performance obligations
3. Determining the transaction price
4. Allocating the transaction price to the performance obligations
5. Recognising revenue when/as performance obligation(s) are satisfied

Revenue from contracts with customers for products sold and service provided is recognised when control of promised products or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. Revenue is measured based on the consideration to which the Company expects to be entitled in a contract with a customer and excludes Goods and services taxes and is net of rebates and discounts. No element of financing is deemed present as the sales are made as per the payment terms agreed as per the contract, which is consistent with market practice. A receivable is recognized when the goods are delivered as this is the point in time that the consideration is unconditional because only the passage of time is required before the payment is due.

These activity-specific revenue recognition criteria are based on the goods or services provided to the customer and the contract conditions in each case, and are as described below:

i) Sale of products

Revenue from sale of products is recognised when control of the product is transferred to the customer, i.e., when the products are delivered to the customer and there is no unfulfilled obligation that could affect the customer's acceptance of the product. The company recognizes revenue when the High Sea Sales(HSS) agreement is entered into with the customer as the control of the products are deemed to be transferred to the customer with effect from the date of High Sea Sales agreement.

ii) Interest Income

Interest is recognised using the time-proportion basis taking into account the amount outstanding and the applicable interest rate.

3.4 Property, plant and equipment

Land held for use in the business is stated at cost. As no finite useful life for land can be determined, related carrying amounts are not depreciated. Cost of land also includes consideration for land development, resettlement payments, compensation for standing/plantation crops at the time of acquisition and other ancillary cost incidental thereto.

Furniture and fitting vehicles, computers and office equipment's are initially recognised at acquisition cost. Cost includes taxes, duties, freight and incidental expenses related to the acquisition and installation of the asset. Other equipment are subsequently measured at cost less accumulated depreciation and any impairment losses.

Depreciation on tangible assets, excluding land has been provided on a pro-rata basis, on written down value method based on the useful life of the assets, as prescribed in Schedule II to the Companies Act, 2013.

Assets category	Estimated useful life (years)	Rate of Depreciation
Furniture and fixtures	10	25.89%
Vehicles	8	31.23%
Office equipment	5	45.07%
Computers	3	63.16%

3.5 Impairment testing of other intangible assets and property, plant and equipment

An assessment is undertaken at each Balance sheet date as to whether there is any indicator that an asset (tangible and intangible) may be impaired. If any such indication exists, an estimate of recoverable amount of such assets is made and impairment losses, if any is recognised, when the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and value in of the assets. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor. When there is indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of profit and loss, except in case of revalued assets.




3.6 Income taxes

Tax expense recognised in Statement of profit and loss account comprises the sum of deferred tax and current tax not recognised in other comprehensive income or directly in equity.

Calculation of current tax is based on tax rates in accordance with tax laws that have been enacted or substantively enacted for the reporting period. Deferred income taxes are calculated based on tax rates in accordance with tax laws that have been enacted or substantively enacted using the Balance Sheet approach on temporary differences between tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at reporting date. Deferred taxes pertaining to items recognised in other comprehensive income are disclosed under the same. A deferred tax asset shall be recognised for all deductible temporary differences to the extent that it is probable that taxable profit will be available against which the deductible temporary difference can be utilised.

In computing current taxes the Company takes into consideration the benefits admissible under the provisions of the Income Tax Act, 1961. In cases wherever the tax liability computed as per above is less than the Minimum Alternate Tax, the Company is liable to pay the Minimum Alternate Tax (MAT), in accordance with Section 115JB of the Income Tax Act, 1961. MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the statement of profit and loss and shown as MAT Credit Entitlement. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

3.7 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

3.8 Financial assets and financial liabilities

Classification of financial asset, subsequent measurement and derecognition.

Financial assets of the Company primarily comprise of loans and receivable measured at amortised cost. At initial recognition these financial assets are measured at its fair value and subsequently measured at amortised cost using the effective interest method. A financial asset is derecognised only when the Company has transferred the rights to receive cash flows from the financial asset or retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Classification of financial liabilities, subsequent measurement and derecognition.

Financial liabilities of the Company primarily comprise of trade payable, retention payable and other payables measured at amortised cost. At initial recognition these financial liabilities are measured at its fair value and subsequently measured at amortised cost using the effective interest method. A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires.

3.9 Retirement and other employee benefits

(A) Defined Contribution Plan

Contribution to Provident Fund is in the nature of defined contribution plan and are made to a recognised fund.

The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Provident fund

The Company's contribution to provident fund is considered as a defined contribution plan and is charged as an expense as it falls due based on the amount of contribution required to be made in accordance with relevant rules. The Company has no further obligation other than its monthly contributions, to the fund.

(B) Defined benefit Plan

Under the Company's defined benefit plans, the amount of benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the Company and the same is unfunded.

Gratuity

The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date. The defined benefit obligation is determined at the Balance sheet date by an independent actuary using the projected unit credit method. Actuarial gains and losses resulting from measurements of the net defined benefit liability are included in other comprehensive income.



3.10 Provisions, contingent assets and contingent liabilities:

Provisions for warranties, legal disputes, or other claims are recognised when the Company has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic resources will be required from the Company and amounts can be estimated reliably. Timing or amount of the outflow may still be uncertain.

Provisions are measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligation. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. Provisions are discounted to their present values, where the time value of money is material.

Any reimbursement that the Company is virtually certain to collect from the other party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision, if any;

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities where the outflow of resources is remote.

The Company does not recognize any assets of contingent nature unless the realization of the income is virtually certain, however these are assessed continually to ensure that the developments are appropriately disclosed in the financial statements.

3.11 Earnings per share

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period is adjusted for events including a bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares), if any. For the purpose of calculating diluted earnings per share, the net profit for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

3.12 Cash flow statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future receipts or payments and items of income or expense associated with investing or financing cash flows. In the cash flow statement, cash and cash equivalents includes cash in hand, cheques on hand, balances with banks in current accounts and other short-term highly liquid investments with original maturities of 90 days or less, as applicable.

3.13 Segment reporting

An operating segment is a component of the business activities from which it may earn revenues and incur expenses, for which discrete financial information is available. All operating segment's operating results are reviewed regularly by the Chief Operating Decision Maker (CODM) to make decisions about resources to be allocated to the segments and assess their performance.

The Company operates in a single operating segment, viz. "Trading of Steam Turbine and Generator" in only one geographic segment i.e. as per Ind AS 108 - "Operating Segments". Since the Company's entire business is "Trading of Steam Turbine and Generator" connection with ongoing project and the Chief operating decision maker review the financial statement as one segment for making operating and financial decision. Accordingly, there are no other primary segment. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of depreciation and amortisation during the year are all as reflected in the financial statement as at and for the year ended 31 March 2025.

3.14 Leases

The Company's lease asset classes primarily consist of leases for office premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and
- (iii) the Company has the right to direct the use of the asset.

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



3.15 Transfer pricing

As per the Transfer Pricing Rules, the Company is required to use certain specified methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/ class of transactions, class of associated persons, functions performed and other factors, as prescribed. The transfer pricing study for the fiscal year ended 31 March 2025 is yet to be completed. However, based on the self-assessment of the operations by the Management during the year and review carried out by an independent accountant in the previous years, the Management does not expect any material impact of the aforesaid study on the Company's financial statements for the year ended 31 March 2025.

3.16 Recent accounting pronouncements

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time.

For the year ended 31 March, 2025, MCA has notified amendments to Ind AS 116 - Leases, relating to sale and leaseback transactions, which is applicable to the Company w.e.f 1 April, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that is not likely to have any significant impact in its financial statements.

On 9 May, 2025, MCA notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after 1 April, 2025. The Company is currently assessing the probable impact of these amendments on its financial statements.

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BGR Turbines Company Private Limited
 Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025
 (All amounts are in Lakhs of Indian Rupees(₹), unless otherwise stated)

4 Property, plant and equipment and other intangible assets

Particulars	Property, plant and equipment					Total
	Free hold land	Furniture and fixtures	Office equipment	Computers		
Gross block						
As at 01 April 2023	5,043.97	8.52	0.03	0.09		5,052.61
Additions	-	-	-	-		-
Disposals	-	-	-	-		-
As at 31 March 2024	5,043.97	8.52	0.03	0.09		5,052.61
Additions	-	-	-	-		-
Disposals	-	-	-	-		-
As at 31 March 2025	5,043.97	8.52	0.03	0.09		5,052.61
Accumulated depreciation/ amortisation						
As at 01 April 2023	-	8.21	0.02	0.09		8.32
Charge for the year	-	0.11	-	-		0.11
As at 31 March 2024	-	8.32	0.02	0.09		8.43
Charge for the year	-	0.07	0.01	-		0.08
As at 31 March 2025	-	8.39	0.03	0.09		8.51
Net block						
As at 31 March 2024	5,043.97	0.20	0.01	-		5,044.18
As at 31 March 2025	5,043.97	0.13	-	-		5,044.10

a) Free hold land

The Company has acquired land in the year 2011-12, with the intention of developing a manufacturing facility thereon. The management continues to evaluate the feasibility and timing of the development of the manufacturing facility, though it is deferred due to the present situation of the projects. There is no change in the intended use of the land as at the reporting date. Accordingly, the land has been retained under "Property, Plant and Equipment".

b) Title Deeds of Immovable Properties

All immovable properties disclosed under "Property, Plant and Equipment" are held in the name of the Company.

c) Charges on Assets

There are no charges or liens created or pending for registration against any of the Company's Property, Plant and Equipment.

d) Capital Work-in-Progress (CWIP):

The Company does not have any Capital Work-in-Progress (CWIP) as at the reporting date.



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BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees(₹), unless otherwise stated)

5 Non-current tax assets [Net]	As at	
	31 March 2025	31 March 2024
Tax assets	-	22.92
	-	22.92

6 Other assets	As at 31 March 2025		As at 31 March 2024	
	Non Current	Current	Non Current	Current
(Unsecured, considered good, unless otherwise stated)				
Advance to employees	-	0.21	-	0.47
Prepaid expenses	-	-	-	0.14
Security deposit	-	1.50	-	1.50
Balances with government authorities	9.25	-	9.25	-
(Unsecured, considered doubtful)				
Balances with government authorities	96.09	-	93.80	-
Less: Provision for impairment loss	(96.09)	-	(93.80)	-
	9.25	1.71	9.25	2.11

7 Trade receivables	As at	
	31 March 2025	31 March 2024
Unsecured, considered good		
- Other receivables (Also, refer note 23)(c))	12,116.76	11,945.18
	12,116.76	11,945.18

a) Trade receivables ageing as on 31 March 2025

Particulars	Not due	Outstanding for the following period from the due date					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed trade receivables-considered good	-	451.28	-	298.79	6.22	11,360.47	12,116.76
(ii) Undisputed trade receivables-considered doubtful	-	-	-	-	-	-	-
(iii) Disputed trade receivables-considered good	-	-	-	-	-	-	-
(iv) Disputed trade receivables-considered doubtful	-	-	-	-	-	-	-
Total	-	451.28	-	298.79	6.22	11,360.47	12,116.76

b) Trade receivables ageing as on 31 March 2024

Particulars	Not due	Outstanding for the following period from the due date					Total
		Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) Undisputed trade receivables considered good	-	298.78	-	6.04	208.33	11,432.03	11,945.18
(ii) Undisputed trade receivables-considered doubtful	-	-	-	-	-	-	-
(iii) Disputed trade receivables-considered good	-	-	-	-	-	-	-
(iv) Disputed trade receivables-considered doubtful	-	-	-	-	-	-	-
Total	-	298.78	-	6.04	208.33	11,432.03	11,945.18



Signature



BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees(₹), unless otherwise stated)

7 Trade receivables (continued)

Notes:

a) The company does not have any disputed trade receivables and undisputed trade receivables credit impaired as on 31 March 2024 and 31 March 2025.

b) As disclosed in Note 1.1, the Company's trade receivables as at the reporting date are entirely due from its Holding Company, BGR Energy Systems Limited ("BGRE"). Consequently, the Company's trade receivables are fully concentrated with the Holding Company, resulting in exposure to a single counterparty credit risk. Management periodically assesses the Holding Company's financial position and creditworthiness, taking into account its financial strength, historical settlement pattern, availability of group financial support and the absence of any past defaults. Based on such assessment, management considers the credit risk relating to these receivables to be low. The assessment of the recoverability of these receivables has been discussed in Note 1.2.

c) There are no debts due by directors or other offices of the Company.

d) Trade receivables are non-interest bearing. The carrying amount of the current trade receivable is considered a reasonable approximation of fair value as it is expected to be collected within twelve months.

8 Cash and cash equivalents

	As at 31 March 2025	As at 31 March 2024
Cash in hand	0.41	0.04
Balance with banks		
- Balance with banks in current accounts	68.81	30.17
Cash and cash equivalents	(A) 69.22	30.21

Bank balances other than cash and cash equivalents

Deposits with original maturity greater than 3 months remaining upto 12 months	1,375.07	1,375.07
Total other bank balances	(B) 1,375.07	1,375.07

9 Other current financial assets

(Unsecured, considered good, unless otherwise stated)

- Customer retention (Also, refer note 23)(c))	13,298.57	13,018.88
- Other receivable (Also, refer note 23)(c) and note (9a) below)	1,430.81	1,430.81
	14,729.38	14,449.69

9(a) Other receivables represent certain capital advances written off in earlier years, which are recoverable from BGR Energy Systems Limited (BGRE), as the advances were contractually attributable to BGRE.

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BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees(₹), unless otherwise stated)

	As at 31 March 2025		As at 31 March 2024	
	Number*	Amount	Number*	Amount
10 Share Capital				
Authorised				
Equity Shares of ₹10 each	50,00,00,000	50,000.00	50,00,00,000	50,000.00
Issued, subscribed and paid up				
Equity Shares of ₹10 each fully paid up	18,40,04,400	18,400.44	18,40,04,400	18,400.44
		18,400.44		18,400.44

a) Reconciliation of total number of shares outstanding

There has been no fresh issue of equity shares during any of the periods stipulated above.

b) Shareholders holding more than 5% of the aggregate shares in the Company

	Number of Shares*	% holding	Number of Shares*	% holding
Equity Shares of ₹10 each				
BGR Energy Systems Limited	13,61,62,900	74.00%	13,61,62,900	74.00%
Hitachi Limited, Japan	4,78,41,500	26.00%	4,78,41,500	26.00%
	18,40,04,400	100.00%	18,40,04,400	100.00%

c) Shares held by the holding company

	Number of shares*	Amount	Number of shares*	Amount
Holding Company				
BGR Energy Systems Limited	13,61,62,900	13,616.29	13,61,62,900	13,616.29

*Number of shares are in absolute numbers.

d) Change in promoter shareholding

There was no change in shareholding of promoters during the current and previous year.

e) Rights, preferences and restrictions attached to equity shares

The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of an equity share is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting except for interim dividend. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The equity shares shall be transferable subject to the provisions contained in the Articles of Association and in the agreements entered / to be entered into with the investors / shareholders from time to time.

f) Bonus issue and Buy Back of shares

There were no shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and bought back during the last 5 years immediately preceding 31 March 2025.

g) Capital Management

The key objective of the Company's capital management is to ensure that it maintains a stable capital structure with the focus on total equity to uphold investor, creditor, and customer confidence and to ensure future development of its business. The Company focused on keeping strong total equity base to ensure independence, security, as well as a high financial flexibility for potential future borrowings, if required without impacting the risk profile of the Company. There are no borrowings in the Company as at 31 March 2025 and during the previous financial years.

11 Other equity

	As at 31 March 2025	As at 31 March 2024
(Deficit) in the statement of profit and loss		
Balance at the beginning of the year	(6,265.01)	(6,276.73)
Add: Profit for the year	12.11	11.72
Balance at the end of the year	(6,252.90)	(6,265.01)
Accumulated other comprehensive income		
Balance at the beginning of the year	7.43	8.39
Add : Transfer from other comprehensive income	0.10	(0.96)
Balance at the end of the year	7.53	7.43
Total other equity	(6,245.37)	(6,257.58)

(a) Retained Earnings

Retained earnings represents the amounts of accumulated losses of the Company.

(b) Other comprehensive income

Represents remeasurement of defined benefit liability which comprises of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability.



Age



BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees(₹), unless otherwise stated)

12 Provisions	As at 31 March 2025		As at 31 March 2024	
	Non - Current	Current	Non - Current	Current
Provision for employee benefits				
- Gratuity (Also, refer note 12.1 below)	4.04	0.47	3.55	0.47
- Compensated absences (Also, refer note 12.2)	0.55	0.17	0.19	0.17
	4.59	0.64	3.74	0.64

12.1 Gratuity

In accordance with the Payments of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit plan ("the Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement, termination of employment (subject to completion of five years of continuous employment) death or incapacitation or equivalent to fifteen days of salary last drawn for each completed year of service. The plan is unfunded.

	As at 31 March 2025	As at 31 March 2024
a) Change in present value of defined benefit obligation		
Obligation at the beginning of the year	4.02	2.58
Interest cost	0.29	0.19
Current service cost	0.30	0.29
Actuarial loss/(gain)	(0.10)	0.96
Obligation at the end of the year	4.51	4.02
Classified as (Refer note 12)		
- Non-current	4.04	3.55
- Current	0.47	0.47
	4.51	4.02
b) Components of net gratuity costs are		
Current service cost	0.30	0.29
Interest cost	0.29	0.19
Expense recognised in the statement of profit and loss	0.59	0.48
Actuarial (gain)/loss	(0.10)	0.96
Expense recognised in total comprehensive income for the year	0.49	1.44

c) Principal actuarial assumptions used

Discount rate	6.62%	7.17%
Long-term rate of compensation increase	6.00%	6.00%
Attrition rate	12.00%	12.00%

d) The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

e) The significant actuarial assumptions for the determination of the defined benefit obligation are the attrition rate, discount rate and the long-term rate of compensation increase. The calculation of the net defined benefit liability is sensitive to these assumptions. The following table summarises the effects of changes in these actuarial assumptions on the defined benefit liabilities at 31 March 2025.

f) Gratuity plan:

	Sensitivity Level	Impact on defined benefit obligations	
		As at 31 March 2025	As at 31 March 2024
Discount rate			
- Increase	(5)%	(0.20)	(0.19)
- Decrease	(5)%	0.22	0.20
Salary growth			
- Increase	(5)%	0.21	0.19
- Decrease	(4)%	(0.20)	(0.18)
Attrition Rate*			
- Increase	(0)%	(0.01)	-
- Decrease	(0)%	0.01	-



g) Maturity Analysis

The expected maturity analysis of undiscounted gratuity benefit obligation after balance sheet data is as follows:

Year	As at 31 March 2025	As at 31 March 2024
1	0.49	0.49
2	0.47	0.47
3	0.44	0.44
4	0.42	0.41
5	0.33	0.39
6 to 10	4.10	3.65
More than 10	0.02	0.01

12.2 Compensated absences

The Company allows encashment of compensated absences of maximum of 54 days of accumulated leave balance at the time of separation. The Company does not maintain any plan assets to fund its obligation with respect to compensated absences.

Principal actuarial assumptions used:

	As at 31 March 2025	As at 31 March 2024
Discount rate	6.62%	7.17%
Long-term rate of compensation increase	6.00%	6.00%
Attrition rate	12.00%	12.00%

13 Trade payables

	As at 31 March 2025	As at 31 March 2024
-Total outstanding dues of micro and small enterprises (Also, refer note (a) and (b) below)	-	-
-Total outstanding dues of creditors other than micro and small enterprises (Also, refer note (b) below)	-	-
- Dues to related parties (Also, refer note 23)(c))	7,970.60	7,796.26
	<u>7,970.60</u>	<u>7,796.26</u>

(a) There are no amounts due to the suppliers registered under the Micro, Small and Medium Enterprises Development Act, 2006. This information has been determined to the extent such parties have been identified by the management on the basis of the information available with the Company.

(b) Trade payables ageing

i) As on 31 March 2025

Particulars	Not due	Outstanding for the following period from the date of due date				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	-	8.19	7,962.41	7,970.60
Total	-	-	-	8.19	7,962.41	7,970.60

ii) As on 31 March 2024

Particulars	Not due	Outstanding for the following period from the date of due date				Total
		Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
(i) MSME	-	-	-	-	-	-
(ii) Others	-	-	8.25	376.21	7,411.80	7,796.26
Total	-	-	8.25	376.21	7,411.80	7,796.26



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BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees(₹), unless otherwise stated)

- c) As per Foreign Exchange Management (Export of Goods & Services) Regulations, 2015 (as amended), all the payment towards import of goods shall be made with the approval of Authorized Dealer Banker if the Company does not make payment within prescribed time limit. The Company has significant foreign currency payable outstanding more than three years as at 31 March 2025 to its related party. The Company has not filed application for extension of time limit for payment with AD Banker/ RBI by the Company. The management is not expecting any material impact on the financial statements.

14 Other current financial liabilities

	As at 31 March 2025	As at 31 March 2024
Retention payable (Also, refer note 23)(c))	13,161.65	12,884.82
Other payable (Also, refer note 23)(c))	51.65	49.33
	<u>13,213.30</u>	<u>12,934.15</u>

15 Other current liabilities

	As at 31 March 2025	As at 31 March 2024
Statutory dues payable	1.29	0.96
	<u>1.29</u>	<u>0.96</u>

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BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees(₹), unless otherwise stated)

	Year ended 31 March 2025	Year ended 31 March 2024
16 Revenue from operations		
Sale of Turbines related components (Also, refer note 23)(b))	-	-
17 Other Income		
Interest income		
- on deposits with banks	94.45	88.90
- on income tax refunds	0.11	-
	94.56	88.90
18 Purchase of Stock in trade		
Purchase of turbines related components (Also, refer note 23(b))	-	-
19 Employee benefit expense		
Salaries and wages	27.85	26.53
Gratuity expense (Also, refer note 12.1(b))	0.59	0.48
Compensated absences	0.36	(0.42)
Contribution to provident and other funds	0.97	0.93
	29.77	27.52
20 Depreciation and amortisation expense		
Depreciation of property, plant and equipment (Also, refer note 4)	0.08	0.11
	0.08	0.11
21 Other expenses		
Legal and professional charges	14.32	12.77
Income tax assets written off	15.57	-
Payment to auditors		
- For Statutory audit	5.00	6.00
- For Tax audit	-	-
- Reimbursement of expenses	-	0.18
Sub-contracting charges	-	20.84
Rates and taxes	1.40	1.64
Miscellaneous expenses	6.86	5.48
	43.15	46.91
22 Income tax expense		
A. Amount recognised in statement of profit or loss		
Current tax		
- In respect of current period	9.45	2.64
Deferred tax		
- In respect of current period	-	-
Income tax expense reported in the statement of profit and loss	9.45	2.64

I. Reconciliation of effective tax rate

The major components of tax expense and the reconciliation of the expected tax expense based on the domestic effective tax rate of the Company at 26% (2023-24: 26%) and the reported tax expense in the statement of profit and loss are as follows:

Particulars	Year ended 31 March 2025	Year ended 31 March 2024
Profit before tax	21.56	14.36
Enacted income tax rate in India	26%	26%
Computed expected tax expense (A)	5.61	3.73
Effect of:		
Tax rate difference	-	-
Expense not deductible:		
Disallowance of Tax assets written off	3.84	(1.09)
Effective tax expense	9.45	2.64

- B. The Company has not recognised deferred tax asset as it is not probable that the taxable profit will be available for utilizing the unused tax losses and temporary differences. The Company has neither recognised deferred tax expense nor income in the statement of profit and loss and other comprehensive income for the year ended 31 March 2025 and 31 March 2024 and consequently reconciliation for the same is not disclosed.



Signature



BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees(₹), unless otherwise stated)

23 Related party disclosures

As per the Ind AS 24 "Related Party Disclosures" as referred to in Indian Accounting Standard Rules, the disclosure of transactions with the related parties as defined therein are given below. All transactions entered into by the Company with related parties, were in ordinary course of business and on arm's length basis.

(a) List of related parties and nature of relationship

Nature of Relationship	Name of related party
Controlling Party Holding company	BGR Energy Systems Limited
Other Related parties with whom transaction have taken place during the year Enterprise having significant influence	Hitachi, Ltd, Japan
Fellow Subsidiaries	BGR Boilers Private Limited Sravanaa Properties Limited
Key Management Personnel	Ram Naresh Singh Tomar, Director Sasikala Raghupathy, Director* Arjun Govind Raghupathy, Director Priyadershini Raghupathy, Director* Tsuyoshi Takano, Director Kazuyuki Okuzawa, Director* M.V Krishna Kumar, Chief Financial Officer

*resigned/completed tenure as directors during the year.

(b) Transactions during the year

Name of related party	Year ended 31 March 2025	Year ended 31 March 2024
BGR Energy Systems Limited		
Sale of products	-	-
Forex difference transferred	(122.15)	(87.06)
Reimbursement of expenses	-	24.59
BGR Boilers Private Limited		
Reimbursement of salary expenses paid on behalf of the Company	8.00	-

Note:

i) All the transactions are at arms length in line with the related party transactions policy of the Company.

(c) Balances with related parties

Name of related party	As at 31 March 2025	As at 31 March 2024
BGR Energy Systems Limited		
Trade receivable	12,116.76	11,945.18
Customer retention	13,298.57	13,018.88
Other receivable	1,430.81	1,430.81
Trade Payables	12.78	12.78
Hitachi, Ltd		
Trade payables	7,970.60	7,783.48
Retention payable	13,161.65	12,884.82
Other payable	0.01	0.01

24 Earnings per equity share

Nominal value of equity shares (in ₹)
Profit attributable to equity shareholders (A)
Weighted average number of equity shares outstanding during the year (B)
Basic and diluted earnings per equity share (A/B) (in ₹)

	As at 31 March 2025	As at 31 March 2024
Nominal value of equity shares (in ₹)	10.00	10.00
Profit attributable to equity shareholders (A)	12.11	11.72
Weighted average number of equity shares outstanding during the year (B)	18,40,04,400	18,40,04,400
Basic and diluted earnings per equity share (A/B) (in ₹)	0.01	0.01



Signatures



25 Unhedged foreign currency exposures

As per the agreement with BGR Energy Systems Limited (BGRE), any foreign exchange loss incurred by the Company in respect of the transactions relating to the contract between Hitachi, Ltd (HTC) and the Company shall be borne by BGRE. The project has been completed and, as at the year end, the amount receivable from BGRE is higher than the amount payable to HTC. It is agreed that BGRE shall settle the outstanding amount in INR, together with the foreign exchange loss, if any, arising on conversion of the corresponding payable to HTC.

Accordingly, the Company does not bear any foreign currency exchange risk in respect of the related foreign currency receivables and payables.

26 Contingent liabilities and commitment

a) 1. Description of the contingent liability	As at 31 March 2025	As at 31 March 2024
- Estimated amount of contract remaining to be settled not provided for (net of advances paid)	538.83	525.15
- Warehousing charges not acknowledged as debt by the company	548.20	534.28
- Indirect tax dues (Refer note (i) below)	-	-
2. Claims against the company not acknowledged as debt		
Claims from vendors towards cost of services and purchases - Related parties (Refer note (ii) below)	61.99	-
	1,149.02	1,059.43

Note

- i) During the financial year 2022-23, the Company received a demand of ₹104.29 lakhs vide Order No. 05/2023-GST dated 31 March 2023 issued by the Deputy Commissioner of CGST and Central Excise, Chennai North, requiring reversal of Input Tax Credit (ITC) relating to High Sea Sale (HSS) transactions for the period July 2017 to January 2019. The demand is based on the view that such transactions qualify as exempt supplies under Section 17(2) of the CGST Act, 2017 read with Rules 42 and 43 of the CGST Rules, 2017, necessitating proportionate reversal of ITC.

Accordingly, ITC aggregating to ₹92.45 lakhs has been considered ineligible, along with applicable interest and penalty. The interest amount, however, is not quantifiable as per the Order. A penalty of ₹9,24,520 has been imposed under Section 73(9) of the GST Act, 2017. The Company has challenged the Order-in-Appeal before the Hon'ble Madras High Court (Writ Petition No. 8087 of 2025 against OIA No. 24/2025 (GSTA-1) (ADC) dated 22.01.2025). The Company has deposited 10% of the disputed amount as statutory pre-deposit, and the Court has granted an interim stay on recovery of the remaining demand.

The matter is presently sub judice. Based on management's assessment, the Company expects a favourable outcome in the dispute. The reversal of the ineligible ITC has not been disclosed as a contingent liability since the amount had already been provided for as impairment in earlier years; accordingly, there is no further impact on the financial statements other than interest and penalty, the determination of which will depend on the final adjudication of the case.

- ii) The Company has entered into subcontract arrangements with its related party, Hitachi, Ltd. (HTC), for the purchase of goods and services. Under these subcontracts, the goods are supplied by HTC.

The amounts disclosed above represent differences in the outstanding balances between the Company and HTC that are currently under reconciliation and finalisation. Pending completion of this process, the Company has not acknowledged these amounts as debt. Appropriate adjustments, if any, will be recorded upon conclusion of the reconciliation.

b) Commitment	As at 31 March 2025	As at 31 March 2024
Future commitments on Technical Service Agreement entered into with Hitachi Limited, Japan (under negotiation) (Refer note (i) below)	3,157.00	3,071.93

- i) It is not practicable for the Company to estimate the timings of cash outflows, if any, in respect of the above, pending resolution of the respective proceedings as at 31 March 2025.

- 27 As per the prevailing Transfer pricing regulations, the Company is required to use certain specific methods in computing arm's length price of international transactions between the associated enterprises and maintain prescribed information and documents relating to such transactions. The appropriate method to be adopted will depend on the nature of transactions/class of transactions, class of associated persons, functions performed and other factors as prescribed. The transfer pricing study for the fiscal year ending 31 March 2025 is in progress and accordingly, the contracts may be amended subsequently and related adjustment, if any, will be quantified upon completion of this study. However, based on the self assessment by the management and review by an independent accountant carried out in previous year, the management does not expect any material impact on the Company's financial statements.



Signature



28 Provision for warranty

The Company has a back to back arrangement with the suppliers to cover its product warranty liability and hence no provision for warranty is considered necessary by the management.

29 Segment reporting

The Company operates in a single operating segment, viz. "Trading of Steam Turbine and Generator" in only one geographic segment i.e. as per "Indian Accounting Standard 108" Operating Segments, Since the Company's entire business is "Trading of Steam Turbine and Generator" connection with ongoing project and the Chief operating decision maker review the financial statement as one segment for making operating and financial decision accordingly, there are no other primary segment. Thus, the segment revenue, segment results, total carrying value of segment assets, total carrying amount of segment liabilities, total cost incurred to acquire segment assets, total amount of depreciation and amortisation during the year are all as reflected in the financial statement as at and for the year ended 31 March 2025.

30 The Company has not constituted Audit Committee under section 177 of the Companies Act, 2013 and not appointed Internal Auditor as required under section 138 of the Companies Act, 2013. The Company intends to undertake necessary actions to comply with the applicable provisions of the Act to ensure compliance. Management believes that the aforementioned non-compliance is not material to the accompanying financial statements and does not have an adverse impact on the Company's operations.

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BGR Turbines Company Private Limited
Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025
(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

31 Analytical Ratios

Particulars	Numerator	Denominator	As at 31 March, 2025	As at 31 March, 2024	Variance (%)	Remarks
Current ratio (In times)	Current assets	Current liabilities	1.34	1.34	(0)%	1
Return on equity ratio (%)	Net profit after taxes	Shareholders's equity	0.10%	0.10%	3%	2
Trade payables turnover ratio (In times)	Other expenses	Average trade payables	0.01	0.01	(0)%	1
Return on capital employed (%)	Earning before interest and taxes	Capital employed	0.18%	0.12%	50%	2

Note

1. Variances are below 25%, hence no explanation is required.
2. The variance is on account of increase in Interest income on deposits with banks as compared to the previous year.
3. During the current year, the Company has not generated any revenue from operations. Consequently, the trade receivables turnover ratio, net capital turnover ratio, and net profit ratio have not been disclosed.

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BGR Turbines Company Private Limited**Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025***(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)***32 Financial Instruments**

The carrying value and fair value of financial instruments by categories are as follows:

Financial assets at amortized cost	As at	As at
	31 March 2025	31 March 2024
Trade receivables	12,116.76	11,945.18
Cash and cash equivalents	69.22	30.21
Other financial assets	14,729.38	14,449.69
Bank balance other than cash and cash equivalents	1,375.07	1,375.07
Total	28,290.43	27,800.15
Financial liabilities at amortized cost		
Trade payables	7,970.60	7,796.26
Other financial liabilities	13,213.30	12,934.15
Total	21,183.90	20,730.41

33 Nature and extent of risks arising from financial instruments and respective financial risk management objectives and policies

The Company's principal financial liabilities comprise trade and other payables. The main purpose of these financial liabilities is to finance the Company's operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. The Board of Directors reviews and agrees policies for managing each of these risks, which are summarised below.

a) Market Risk

Market risk is the risk that changes in market prices, liquidity and other factors that could have an adverse effect on realizable fair value or future cash flows to the Company. The Company is exposed to market risk specifically through currency risk arising from its foreign currency denominated financial assets and financial liabilities, primarily trade receivables and trade payables and certain other price risks, which result from its operations.

b) Foreign Currency Risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

The Company has not entered into any hedging contract to mitigate the exposure to foreign currency risk.

The Company's exposure to foreign currency risk arises only in respect of transactions entered into with related parties. These transactions are undertaken based on mutual understanding and are settled without any foreign exchange impact to the Company. Accordingly, the Company has not incurred any foreign exchange gain or loss during the year and is not exposed to any significant foreign currency risk.

c) Credit Risk

Credit risk is the risk that a counterparty fails to discharge an obligation to the Company. The Company is exposed to this risk for various financial instruments, for example trade receivables, deposits, etc. The Company's maximum exposure to credit risk is limited to the carrying amount of financial assets recognised at 31 March 2025, as summarised below:

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BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

c) Credit Risk (continued)

Classes of financial asset	As at	As at
	31 March 2025	31 March 2024
Other financial assets	14,729.36	14,449.69
Trade receivables	12,116.76	11,945.18
Cash and bank balances	69.22	30.21
Bank balance other than cash and cash equivalents	1,375.07	1,375.07
	28,290.43	27,800.15

In respect of trade receivables and retentions, the Company is not exposed to any significant credit risk exposure, since the entire trade receivable is from Holding Company. Based on historical information about default rates, management consider the credit quality of such receivables that are. The credit risk for cash and cash equivalents and fixed deposits are considered negligible, since the counterparties are reputable public sector banks with high quality external credit ratings.

d) Liquidity Risk

Liquidity risk is that the Company might be unable to meet its obligations. The Company manages its liquidity needs by monitoring cash inflows and outflows due on a day-to-day basis. The data used for analysing these cash flows is consistent with that used in the contractual maturity analysis below. Liquidity needs are monitored in various time bands, on a day-to-day and week-to-week basis, as well as on a monthly, quarterly, and yearly basis depending on the business needs.

The Company considers expected cash flows from financial assets in assessing and managing liquidity risk, in particular its cash resources and trade receivables. The Company's existing cash resources and trade receivables significantly exceed the current cash outflow requirements. Cash flows from trade receivables are all contractually due within six months except for retention and long term trade receivables which are governed by the relevant contract conditions.

As at 31 March 2025, the Company's non-derivative financial liabilities have contractual maturities as summarised below:

As at 31 March 2025

Particulars	Upto 1 Year	1 - 5 Years	More than 5 Year
Trade payables	7,970.60	-	-
Retention payable	13,161.65	-	-
Other financial liabilities	51.65	-	-
	21,183.80		

As at 31 March 2024

Particulars	Upto 1 Year	1 - 5 Years	More than 5 Year
Trade payables	7,796.26	-	-
Retention payable	12,884.82	-	-
Other financial liabilities	49.33	-	-
	20,730.31		

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BGR Turbines Company Private Limited

Summary of material accounting policy information and other explanatory information for the year ended 31 March 2025

(All amounts are in Lakhs of Indian Rupees (₹), unless otherwise stated)

- 34 The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

For the financial year 2024-25, the Company has used accounting software to maintain its books of account that includes a feature for recording an audit trail (edit log), which was enabled and operated for all relevant transactions. However, in respect of the financial year 2023-24, the audit trail functionality was activated only from 9 January 2024. The audit trail has been maintained and preserved in accordance with applicable statutory requirements from that date onwards.

35 Other disclosures

- a) The Company has not entered into any transaction with companies struck off under section 248 of the Companies Act, 2013, or section 560 of the Companies Act 1956.
- b) The Company has no borrowing as at 31 March 2025 and 31 March 2024.
- c) There are no proceedings that has been initiated or pending against the Company under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) as the company does not hold any benami properties.
- d) The Company has not been declared as a wilful defaulter by any banks.
- e) No funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other persons or entities, including foreign entities ("Intermediaries") with the understanding, whether recorded in writing or otherwise, that the Intermediary shall lend or invest in party identified by or on behalf of the Company (Ultimate Beneficiaries). The Company has not received any fund from any parties (Funding Party) with the understanding that the Company shall whether, directly or indirectly lend or invest in other persons or entities identified by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- f) The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- g) There is no income surrendered or disclosed as income during the current or previous year in the tax assessments under the Income Tax Act, 1961, that has not been recorded in the books of account.
- h) The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

As per our report of event date attached.

For V Narayanan & Co.
Chartered Accountants
Firm's Registration No.: 002398S

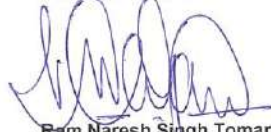


Dileep Thammana
Partner
Membership No: 227512

Place: Chennai
Date : 28 May 2026



For and on behalf of the Board of Directors of
BGR Turbines Company Private Limited
CIN: U40300TN2009PTC070541



Ram Naresh Singh Tomar
Director
DIN 08784935

Place: Chennai
Date : 28 May 2026



Arjun Govind Raghupathy
Director
DIN: 02700864

Place: Chennai
Date : 28 May 2026

