

Independent Auditor's Report

To the Members of Lineage Power Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Lineage Power Private Limited** (the "Company"), which comprise the balance sheet as at March 31, 2026, the statement of profit and loss (including other comprehensive loss), the statement of changes in equity and the statement of cash flows for the year then ended on that date and notes to the financial statements, including a summary of the material accounting policies and other explanatory information (hereinafter referred to as the "Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive loss), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

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

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Management and 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. The Director's Report is expected to be made available to us after the date of this auditor's report.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it became available and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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



Responsibilities of the Management and Board of Director for the Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive loss, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Management and 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an 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 the SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional 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 estimates and related disclosures in the financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management's and Board of Director's use of the going concern



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

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of section 143(11) of the Act, we give in the "Annexure A", a statement on the matters specified in the paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143(3) of the Act, to the extent applicable, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
 - (c) The balance sheet, the statement of profit and loss (including other comprehensive loss), the statement of changes in equity and the statement of cash flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Ind AS specified under section 133 of the Act;
 - (e) On the basis of the written representations received from the directors as on April 22, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).



- (g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to financial statements.
- (h) In our opinion, and according to the information and explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act; 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 has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its financial statements - refer note no. 45(b) of notes to the financial statements.
 - ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses;
 - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
 - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in note - 44(f) of notes to the financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, as disclosed in note - 44(g) of notes to the financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("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 representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above contain any material misstatement.
 - v. The Company has not declared or paid any dividend during the year ended March 31, 2026
 - vi. Based on our examination, which included test checks, the Company has maintained its books of account using accounting software that did not have the functionality to record an audit trail (edit log) for all relevant transactions throughout the year. Accordingly, we are unable to



comment on the adequacy of the audit trail feature in the said software along with the preservation in accordance with the statutory requirements.



For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm's Registration No. 000756N/N500441

AMIT GOEL
Partner
Membership No. 500607

Date: May 25, 2026
Place: Bangalore
UDIN: 26500607BQDLYQ7809

Annexure A to the Independent Auditor's Report dated May 25, 2026 on the financial statements of Lineage Power Private Limited (the "Company") for the year ended March 31, 2026.

Report on the matters specified in paragraph 3 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of section 143(11) of the Companies Act, 2013 (the "Act") as referred to in paragraph 1 of 'Report on Other Legal and Regulatory Requirements' section of our report of even date.

- i. (a)(A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, property, plant and equipment have been physically verified during the year by the management and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company does not have any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company, hence the requirement to report on clause 3(i)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets), investment property or intangible assets during the year ended March 31, 2026. Accordingly, the requirement to report under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventories at reasonable intervals during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) As disclosed in note no 46 of notes to the financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of accounts of the Company, except as mentioned below:



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CHARTERED ACCOUNTANTS

Quarter ending	Value per books of accounts (Rs. in million) - A	Value per quarterly return/statement (Rs. in million) - B	Variance (A-B) (Rs. in million)
Inventory			
June 30,2025	974.88	811.00	163.88
September 30,2025	1,057.76	1,057.70	0.06
December 31,2025	1,723.61	1,723.61	0.00
March 31,2026	2,088.51	2,088.46	0.04
Trade receivables			
June 30,2025	2,637.84	2,692.80	(54.96)
September 30,2025	2,829.63	2,829.60	0.03
December 31,2025	1,943.05	1,943.10	(0.05)
March 31,2026	5,376.45	5,376.50	(0.05)
Trade payable			
June 30,2025	1,439.40	1,119.00	320.40
September 30,2025	1,782.32	1,782.30	0.02
December 31,2025	2,126.45	2,126.50	(0.05)
March 31,2026	3,718.53	3,718.50	0.03
Revenue			
June 30,2025	481.37	598.40	(117.03)
September 30,2025	2,543.52	2,426.50	117.02
December 31,2025	2,633.49	2,633.49	(0.00)
March 31,2026	4,977.61	4,977.60	0.01

- iii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year, the Company has provided guarantee. Further the Company has not made any investment in, provided security, loans or advances in the nature of loans to companies, firms, limited liability partnerships or any other parties except mentioned below.

Particulars	Guarantees (Rs. in million)
Aggregate amount granted/ provided during the year	
- Holding Company	454.30
Balance outstanding as at balance sheet date (including opening balance) in respect of above cases – Holding Company *	7,070.00

* The Company has provided this guarantee jointly with Pace Renewable Energies Private Limited (a fellow subsidiary) and Pace Power System. (read with note no 38 to the financial statements).

- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the terms and conditions of guarantee provided by the Company during the year are not prejudicial to the Company's interest. The Company has not made investment and provided advances in the nature of loans or provided security during the year.



- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted loans or advances in the nature of loans to Companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not granted loans or advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there were no loans or advances in the nature of loan granted to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, during the year the Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, limited liability partnerships or any other parties. Accordingly, the requirement to report on clause 3(iii)(f) of the Order is not applicable to the Company.
- iv. According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of guarantees provided by the Company, in our opinion the provisions of Section 185 and 186 of the Act have been complied. The Company has not made any investment or given loan or any security.
- v. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no statutory dues relating to goods and services tax, provident fund, employees' state insurance, income-tax, sale-tax, service tax, duty of custom, duty of excise, value added tax, cess and other statutory dues which have not been deposited with the appropriate authorities on account of any dispute except the following:



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CHARTERED ACCOUNTANTS

Name of the Statue	Nature of dues	Amount (Rs in Million)	Amount paid under protest (Rs in Million)	Period to which amount relates	Forum where dispute is pending
Income Tax Act, 1961	Additions made in Intimation u/s. 143(1)	8.19	-	FY 2018-19	Commissioner of Income Tax, Delhi
Income Tax Act, 1961	Additions made in Intimation u/s. 143(1)	0.91	-	FY 2019-20	Commissioner of Income Tax, Delhi
Central Excise Act, 1944	CENVAT credit	3.98	-	FY 2009-10	CESTAT, South Zonal Bench
Central Sales Tax Act, 1956	Additions made in intimation U/s73(2)	12.63	0.63	FY 2014-15	CESTAT, Karnataka Bangalore
Customs Act, 1962.	DBK Claimed on Exports made by EOU	25.05	0.17	FY 2014-2015	Govt of India, New Delhi Customs.
Goods and Service Tax, 2017	GST Demand	0.07	-	FY 2020-21	ACCT, State Tax, Raipur, Chhattisgarh
Goods and Service Tax, 2017	GST Demand	1.08	-	FY 2023-24	ACCT, State Tax, Chennai
Goods and Service Tax, 2017	GST Demand	0.39	-	FY 2022-23	ACCT, State Tax, Chennai

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.



(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed any term loan during the year. Accordingly, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.

(d) According to the information and explanations given to us and on an overall examination of the financial statement of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.

(e) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, the Company does not have any subsidiary, associate or joint venture (as defined under the Act). Accordingly, the requirement to report on clause 3(ix)(e) to 3(ix)(f) of the Order is not applicable to the Company.

x. (a) According to the information and explanations given to us and procedures performed by us, the Company has not raised any money during the year by way of initial public offer / further public offer (including debt instruments). Accordingly, the requirement to report under clause 3(x)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partially optionally convertible debentures during the year under audit and hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) Based on examination of the books and records of the Company 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 year. Accordingly, the requirement to report under clause 3(xi)(a) of the Order is not applicable to the Company.

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

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

xii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on 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 during the course of audit, transactions with the related parties are in compliance with section 188 of the Act, where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards. The provisions of section 177 of the Act are not applicable to the Company and hence not commented upon.

xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered the internal audit reports of the Company issued till date for the period under audit.

xv. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected



with them as referred in section 192 of the Act. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

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

(b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

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

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

xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in note no. 43 of notes to the financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, with respect to Corporate Social Responsibility (CSR) amounts relating to projects other than ongoing projects, the Company has transferred the unspent CSR obligation pertaining to the financial year 2024-25 to a fund specified in Schedule VII to the Companies Act, 2013 within six months from the end of the financial year. However, for the financial years 2023-24 and 2022-23, the Company has not transferred the unspent CSR obligations to any fund specified under Schedule VII to the Companies Act, 2013. The details are as follows:



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CHARTERED ACCOUNTANTS

Financial year	Amount unspent on corporate social responsibility activities for other ongoing projects	Amount transferred to fund specified in Schedule VII within six months end of the financial year	Amount transferred after the due date of six months from the end of financial year
2024-25	Rs 7.67 million	Rs 7.67 million	-
2023-24	Rs. 1.69 million	-	-
2022-23	Rs 1.43 million	-	-

(b) According to the information and explanations given to us, and on the basis of our examination of the records of the Company, there are no unspent amounts in respect of ongoing projects, that are required to be transferred to a special account in compliance of provision of sub section (6) of section 135 of Act

We further note that the Company has disbursed Rs. 12.98 million towards CSR expenditure for an ongoing project pertaining to current year which has been utilized subsequent to the Balance sheet date. The Management has considered such amount as spent on the basis that the funds have been irrevocably transferred and are not recoverable by the Company {refer note 34(b) to the financial statements.

- xxi. According to the information and explanations given to us, the Company is not required to prepare consolidated financial statements. Accordingly, the provision of clause 3(xxi) of the Order is not applicable to the Company.



For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

AMIT GOEL

Partner

Membership No. 500607

Date: May 25, 2026

Place: Bangalore

UDIN: 26500607BQDLYQ7809

Annexure B to the Independent Auditor's Report dated May 25, 2026 on the financial statements of Lineage Power Private Limited for the year ended March 31, 2026.

Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act") as referred to in paragraph 2(g) of 'Report on Other Legal and Regulatory Requirements' section of our report even date.

We have audited the internal financial controls with reference to the financial statements of **Lineage Power Private Limited** (the "Company") as of March 31, 2026, in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

Auditor's Responsibility

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

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

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



Meaning of Internal Financial Controls with Reference to Financial Statements

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

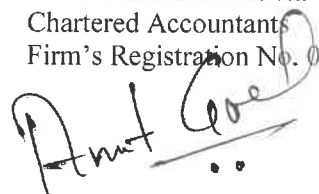
Because of the inherent limitations of internal financial controls with reference to the financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation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

Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at March 31, 2026, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.



For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm's Registration No. 000756N/N500441


AMIT GOEL
Partner
Membership No. 500607

Date: May 25, 2026
Place: Bangalore
UDIN: 26500607BQDLYQ7809

Lineage Power Private Limited
CIN:U45207KA2010PTC054269
Balance sheet as at March 31, 2026
(Amounts are ₹ in million, unless otherwise stated)

Particulars	Note no	As at March 31, 2026	As at March 31, 2025
A. Assets			
(1) Non-current assets			
(a) Property, plant and equipment	3	157.92	133.65
(b) Intangible assets	4	32.35	0.47
(c) Right-of-use assets	5	520.25	-
(d) Financial assets			
(i) Investments	6	-	-
(ii) Other financial asset	7	50.25	69.71
(e) Deferred tax assets (net)	8	97.58	85.33
(f) Non current tax assets (net)	9	10.49	17.93
(g) Other non-current assets	15	8.68	118.13
Total non-current assets		877.52	425.22
(2) Current assets			
(a) Inventories	10	2,088.51	678.09
(b) Financial assets			
(i) Trade receivables	11	5,376.45	3,308.86
(ii) Cash and cash equivalents	12	8.35	7.94
(iii) Bank balances other than (ii) above	13	823.04	339.65
(iv) Other financial assets	14	29.40	38.32
(c) Other current assets	15	1,016.23	396.08
Total current assets		9,341.98	4,768.94
Total assets (1+2)		10,219.50	5,194.16
B. Equity and liabilities			
(1) Equity			
(a) Equity share capital	16	50.00	50.00
(b) Other equity	17	2,153.60	1,677.15
Total equity		2,203.60	1,727.15
(2) Liabilities			
I. Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	18	57.57	112.90
(ii) Lease liabilities	19	522.34	-
(b) Provision	20	410.51	513.98
Total non-current liabilities		990.42	626.88
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	1,724.25	662.37
(ii) Lease liabilities	22	20.88	-
(iii) Trade payables	23	-	-
-Total outstanding dues of micro and small enterprises		1.72	7.71
-Total outstanding dues of creditors other than micro and small enterprises		3,716.81	1,871.31
(iv) Other financial liabilities	24	38.60	45.80
(b) Other current liabilities	25	1,310.89	23.12
(c) Provisions	20	178.07	123.91
(d) Current tax liabilities (net)	26	34.26	105.91
Total current liabilities		7,025.48	2,840.13
Total liabilities (I+II)		8,015.90	3,467.01
Total equity and liabilities (1+2)		10,219.50	5,194.16
Material accounting policies	2		

Accompanying notes form an integral part of these financial statements

As per our report of even date attached

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm's Registration No. 000756N/N500441

AMIT GOEL
Partner
Membership No. 500607
Place: Bangalore
Date: May 25, 2026



For and on behalf of the Board
Lineage Power Private Limited

Venugopal Rao Maddisetty
Director
DIN-02070491
Place: Bangalore
Date: May 25, 2026

Maddisetty Padma
Director
DIN-02070662
Place: Bangalore
Date: May 25, 2026

Statement of profit & loss for the year ended March 31, 2026
(Amounts are ₹ in million, unless otherwise stated) -

Particulars	Note no	For the year ended March 31, 2026	For the year ended March 31, 2025
I. Income :			
(a) Revenue from operations	27	10,635.99	6,285.27
(b) Other income	28	190.97	124.65
Total income (I)		10,826.96	6,409.92
II. Expenses:			
(a) Cost of materials consumed	29	6,469.20	2,281.34
(b) Engineering, procurement and construction project expenses	29.1	817.43	846.12
(c) Purchases of stock-in-trade	29.2	2,036.66	618.77
(d) Changes in inventories	30	(232.04)	850.95
(e) Employee benefits expense	31	189.32	117.16
(f) Finance costs	32	219.30	129.48
(g) Depreciation and amortisation expense	33	84.57	18.26
(h) Other expenses	34	589.04	710.00
Total expenses (II)		10,173.48	5,572.08
III. Profit before tax (I-II)=III		653.48	837.84
IV. Tax expense:			
(a) Current tax	37	180.10	175.71
(b) Deferred tax charge/ (credit)		(10.37)	19.82
(c) Taxes relating to earlier years		1.70	40.16
Total tax expense(IV)		171.43	235.69
V. Profit after tax (III-IV)= V		482.05	602.15
VI. Other comprehensive income/(loss):			
A. Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plan gain/(loss)		(7.48)	(0.43)
(ii) Income tax relating to these items		1.88	0.11
Total other comprehensive (loss) for the year (net of tax)		(5.60)	(0.32)
VII Total comprehensive income for the year (V+VI)=VII		476.45	601.83
VIII Earnings per share (Rs.) (face value of Rs. 10 per share):	35		
Basic (Rupee)		96.41	120.43
Diluted (Rupee)		96.41	120.43

Material accounting policies

2

Accompanying notes form an integral part of these financial statements

As per our report of even date attached

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm's Registration No. 000756N/N500441

AMIT GOEL

Partner

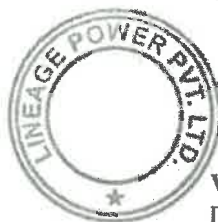
Membership No. 500607

Place: Bangalore

Date: May 25, 2026



For and on behalf of the Board
Lineage Power Private Limited



Venugopalrao Maddisetty
Director
DIN-02070491
Place: Bangalore
Date: May 25, 2026

Maddisetty Padma
Director
DIN-02070662
Place: Bangalore
Date: May 25, 2026

Statements of cash flows for the year ended March 31, 2026
(Amounts are ₹ in million, unless otherwise stated)

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
A. Cash flows from operating activities:		
Profit before tax	653.48	837.84
Adjustments for:		
Depreciation and amortisation expense	84.57	18.26
Liabilities no longer required written back	(47.24)	(6.96)
Finance costs	184.31	108.42
Interest on lease liabilities	34.99	-
Interest income on bank deposits	(30.59)	(26.16)
Interest income on corporate guarantee	-	(11.25)
Reversal of loss allowance for trade receivable	(3.66)	(15.82)
Provision for liquidity damages	4.17	80.52
Other interest income	(4.40)	(4.67)
Bad debts written off	35.73	43.26
Interest expenses on corporate guarantee	-	13.76
Provision for warranty	(105.08)	271.35
Intangible assets written off	-	11.56
Profit on sale of property, plant and equipment (net)	-	(0.29)
Operating cash flow before changes in operating assets and liabilities	806.25	1,319.81
Movements in working capital:		
(Increase)/Decrease in inventories	(1,410.42)	877.72
(Increase)/Decrease in loan	-	2.48
(Increase)/decrease in trade receivables	(2,099.53)	902.95
(Increase)/decrease in other financial asset	8.92	(3.80)
(Increase)/decrease in other assets	(476.55)	(188.54)
(Decrease)/increase in trade payables	1,891.15	(2,671.31)
(Decrease)/increase in other financial liabilities	(7.20)	(55.53)
Increase/(Decrease) in other current liabilities	1,287.78	(0.91)
Increase/ (decrease) in provisions	7.82	1.61
Cash generated from operations	8.23	184.48
Income taxes paid (net of refunds)	(264.07)	(310.29)
Net cash generated from/(used in) operating activities (A)	(255.83)	(125.80)
B. Cash flows from investing activities		
Acquisition of property, plant and equipment, intangibles (net of sale proceeds)	(102.12)	(103.05)
Investment in / proceeds from fixed deposits	(463.93)	164.86
Interest income on fixed deposits	30.59	26.16
Net cash generated from/(used in) investing activities (B)	(535.45)	87.97
C. Cash flows from financing activities:		
Proceeds from long term borrowings	-	218.10
(Repayment) of long term borrowings	(21.07)	(28.45)
Proceeds/ (repayment) of short term borrowings (net)	1,024.65	(26.09)
Repayment of principal portion of lease liabilities	(15.64)	-
Payment of interest cost on lease liabilities	(34.99)	-
Other borrowing cost paid	(59.07)	(24.06)
Finance costs paid	(102.20)	(108.42)
Net cash generated from/(used in) financing activities (C)	791.69	31.08
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	0.41	(6.76)
Cash and cash equivalents at the beginning of the year	7.94	14.70
Cash and cash equivalents at the end of the year	8.35	7.94
Components of cash and cash equivalents considered only for the purpose of statement of cash flows.		
Particulars	As at March 31, 2026	As at March 31, 2025
(a) Balances with banks		
In current accounts	8.30	7.90
(b) Cash on hand	0.05	0.04
Total cash and cash equivalents (refer note no. 12)	8.35	7.94



Lineage Power Private Limited

CIN:U45207KA2010PTC054269

Statements of cash flows for the year ended March 31, 2026

(Amounts are ₹ in million, unless otherwise stated)

Notes:

(a) The above statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - "Statement of cash flows".

(b) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in the note 21.

Material accounting policies

2

Accompanying notes form an integral part of these financial statements

As per our report of even date attached

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

AMHT GOEL

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026



For and on behalf of the Board
Lineage Power Private Limited



Venugopalrao Maddisetty

Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Maddisetty Padma

Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Lineage Power Private Limited

CIN:U45207KA2010PTC054269

Statement of changes in equity for year ended March 31, 2026

(Amounts are ₹ in million, unless otherwise stated)

(a) Equity share capital

Particulars	Note no	No of shares	Amount
As at April 01, 2024	16	50,00,000	50.00
Changes in equity share capital during the year		-	-
As at March 31, 2025		50,00,000	50.00
Changes in equity share capital during the year		-	-
As at March 31, 2026		50,00,000	50.00

(b) Other equity

Particulars	Reserves and surplus		Items of OCI	Total
	Retained earnings	Capital reserve	Remeasurement of defined benefit obligation	
Balance as at April 01, 2024	907.79	150.90	16.63	1,075.32
Addition during the year:				
Add: Profit for the year	602.15	-	-	602.15
Add: Other comprehensive income/(loss) (net of tax)	-	-	(0.32)	(0.32)
Balance as at March 31, 2025	1,509.95	150.90	16.30	1,677.15
Addition during the year:				
Add: Profit for the year	482.05	-	-	482.05
Add: Other comprehensive income/(loss) (net of tax)	-	-	(5.60)	(5.60)
Balance as at March 31, 2026	1,992.00	150.90	10.70	2,153.60

Material accounting policies

2

Accompanying notes form an integral part of these financial statements

As per our report of even date attached

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

AMIT GOEL

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026



For and on behalf of the Board
Lineage Power Private Limited

Venugopatrao Maddisetty

Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Maddisetty Padma

Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026



3 Property, plant and equipment ('PPE')

Particulars	Plant & machinery	Computers	Office equipment	Vehicles	Furniture and fixtures	Total
At cost						
Gross carrying amount						
Balance as at April 01, 2024	31.28	1.17	0.99	23.58	1.23	58.25
Additions	2.68	-	1.04	101.08	0.13	104.93
Disposals	-	-	-	(3.89)	-	(3.89)
Balance as at March 31, 2025	33.96	1.17	2.03	120.77	1.36	159.29
Additions	52.11	1.54	16.11	-	0.41	70.17
Disposals	-	-	-	-	-	-
Balance as at March 31, 2026	86.07	2.71	18.14	120.77	1.77	229.45
Accumulated depreciation						
Balance as at April 01, 2024	3.20	0.37	0.27	6.11	0.17	10.12
Charge for the year	5.57	0.29	0.52	11.15	0.30	17.83
Disposals	-	-	-	(2.31)	-	(2.31)
Balance as at March 31, 2025	8.77	0.66	0.79	14.95	0.47	25.64
Charge for the year	7.70	0.78	3.93	33.21	0.27	45.89
Disposals	-	-	-	-	-	-
Balance as at March 31, 2026	16.47	1.44	4.72	48.16	0.74	71.53
Net carrying amount						
Balance as at March 31, 2025	25.19	0.51	1.24	105.82	0.89	133.65
Balance as at March 31, 2026	69.60	1.27	13.42	72.61	1.03	157.92

Note:

a) Property, Plant and Equipment (PPE) includes assets mortgaged as security.

b) Refer note 18 for the asset forming part of property, plant and equipment which are offered as security/ charges for the borrowings availed by the Company.

4 Intangible assets

Particulars	Software (Bought out)
At cost	
Gross carrying amount	
Balance as at April 01, 2024	13.84
Additions	-
Disposals	(12.77)
Balance as at March 31, 2025	1.08
Additions	31.95
Disposals	-
Balance as at March 31, 2026	33.03
Accumulated amortisation	
Balance as at April 01, 2024	1.38
Charge for the year	0.44
Disposals	(1.21)
Balance as at March 31, 2025	0.61
Charge for the year	0.07
Disposals	-
Balance as at March 31, 2026	0.68
Net carrying amount	
Balance as at March 31, 2025	0.47
Balance as at March 31, 2026	32.35



5 Right-of-use assets (ROU)

Particulars	Buildings	Plant & machinery	Total
Gross Block			
Balances as at April 01, 2024	-	-	-
Additions	-	-	-
Deletions	-	-	-
Balances as at March 31, 2025	-	-	-
Additions	198.51	360.35	558.86
Deletions	-	-	-
Balances as at March 31, 2026	198.51	360.35	558.86
Accumulated amortisation			
Balances as at April 01, 2024	-	-	-
Charge for the year	-	-	-
Deletions	-	-	-
Balances as at March 31, 2025	-	-	-
Charge for the year	11.58	27.03	38.61
Deletions	-	-	-
Balances as at March 31, 2026	11.58	27.03	38.61
Net block			
Balance as at March 31, 2025	-	-	-
Balance as at March 31, 2026	186.93	333.32	520.25

Notes: Refer note 36 for disclosure on leased assets.



6 Financial assets (non current): Investment

Particulars	As at March 31, 2026	As at March 31, 2025
Investment in equity instrument (unquoted)		
In fellow subsidiary company (at cost unless stated otherwise)		
Ap Digital Infra Private Limited		
1000 equity shares fully paid of Rs. 10 each March 31, 2026 (1,000 Equity Shares fully paid of Rs. 10 each March 31, 2025)	0.01	0.01
Less-Allowance for impairment in value of investment	(0.01)	(0.01)
Total	-	-
Aggregate value of unquoted investments	0.01	0.01
Aggregate amount of impairment in value of investments	0.01	0.01

(i) During the year, AP Digital infra Private Limited, a fellow subsidiary, was struck off from the Register of Companies pursuant to the provisions of the Companies Act, 2013. Consequently, the Company ceased to hold its investment in the Company.

7 Other financial assets - non current

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Bank deposits with maturity for more than 12 months from the reporting date #	50.25	69.71
Total	50.25	69.71

It includes March 31, 2026: Rs.50.25 million (March 31, 2025: 69.71 million) held as margin against guarantees, commitment and letter of credit with various government authorities and banks.

8 Deferred tax asset/liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets (net) - Refer note 37	97.58	85.33
Total	97.58	85.33

9 Non current tax assets

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets (Net of provision of Tax)	10.49	17.93
Total	10.49	17.93

10 Inventories (at lower of cost and net realisable value)

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials and components	1,830.86	652.48
Finished goods	257.65	25.61
Total inventories	2,088.51	678.09

Note:

1)The Company has availed working capital facilities and other non-fund based facilities viz. bank guarantees and letters of credit, some of which are secured by hypothecation of inventories, details relating to which have been given in note 21.

2)The raw material component is net off by the provision for slow-moving inventory.

11 Trade receivables

(a) Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured unless otherwise stated)		
Trade receivables considered good - unsecured	5,462.24	3,370.44
Trade receivables which have significant increase in credit risk	-	-
Trade receivables-credit impaired	131.91	159.78
Total trade receivables	5,594.15	3,530.22
Less: Expected credit loss allowance	(217.70)	(221.36)
Net trade receivables	5,376.45	3,308.86
Of the above, trade receivables from related parties are as below		
Trade receivables due from related parties (Refer note 38)	157.58	2,098.84
Net trade receivables	157.58	2,098.84

Note:

- Trade receivables are non-interest bearing and due after 0 to 90 days from the due date.
- Refer note 41 for information about credit risk and market risk of trade receivables.



(b) Trade receivables ageing schedules
As at March 31, 2026

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables- considered good	881.42	3,333.03	749.27	81.18	193.06	137.26	87.02	5,462.24
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	31.48	19.34	81.09	131.91
Gross total	881.42	3,333.03	749.27	81.18	224.54	156.60	168.11	5,594.15
Less : credit impaired	-	-	-	-	-	-	-	(217.70)
Total	881.42	3,333.03	749.27	81.18	224.54	156.60	168.11	5,376.45

As at March 31, 2025

Particulars	Unbilled	Outstanding for following periods from due date of payment						Total
		Not due	Less than 6 months	6 Months - 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Undisputed trade receivables- considered good	335.47	1,057.06	1,479.21	139.82	296.93	54.69	7.24	3,370.44
Undisputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Undisputed trade receivables- credit impaired	-	-	-	-	-	-	-	-
Disputed trade receivables- considered good	-	-	-	-	-	-	-	-
Disputed trade receivables- which have significant increase in credit risk	-	-	-	-	-	-	-	-
Disputed trade receivables- credit impaired	-	-	-	-	31.48	19.34	108.96	159.78
Gross total	335.47	1,057.06	1,479.21	139.82	328.41	74.03	116.20	3,530.22
Less : credit impaired	-	-	-	-	-	-	-	(221.36)
Total	335.47	1,057	1,479.21	139.82	328.41	74.03	116.20	3,308.86

12 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- On current accounts		
Cash on hand	8.30	7.90
Total	0.05	0.04
	8.35	7.94

13 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Bank deposits with remaining maturity for more than three months but less than twelve months.*		
Total	823.04	339.65
	823.04	339.65

* It includes March 31,2026: Rs. 695.94 million and (March 31,2025: Rs.339.65 million) held as margin against guarantees,commitment and letter of credit with various government authorities and banks.

14 Other financial assets - current

(at amortised cost, unsecured, considered good, unless stated otherwise)

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good, unless otherwise stated		
Security deposits * (refere note 38)		
Interest receivable on corporate guarantee (refer note 38)	29.40	27.07
Total	-	11.25
	29.40	38.32

* It includes March 31,2026 : Rs.19.78 million and (March 31,2025: Rs.19.78 million) deposit balance with related party



15 Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Other non current asset		
Balance with government authorities	5.25	118.13
Prepaid expenses	3.43	-
Total	8.68	118.13
Other current asset		
Advance to suppliers		
From related party (refer note 38)	192.18	113.78
From others	321.47	272.04
Prepaid expenses	34.89	4.16
Advance to employees	7.60	6.10
Balance with government authorities	460.10	-
Total	1,016.23	396.08

16 Equity share capital

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
Authorised share capital				
Equity shares of Rs 10 each	50,00,000	50.00	50,00,000	50.00
	50,00,000	50.00	50,00,000	50.00
Issued, subscribed and fully paid:				
Equity shares of Rs 10 each	50,00,000	50.00	50,00,000	50.00
	50,00,000	50.00	50,00,000	50.00

Note:

(a) Reconciliation of the number of equity shares outstanding at the beginning and at the end of the reporting period

Particulars	As at March 31, 2026		As at March 31, 2025	
	No. of shares	Amount	No. of shares	Amount
At the commencement of the year	50,00,000	50.00	50,00,000	50.00
Shares issued during the year	-	-	-	-
At the end of the year	50,00,000	50.00	50,00,000	50.00

(b) Rights, preferences and restrictions attached to equity shares

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

(c) Details of shareholders holding more than 5% equity shares in the Company are set out below

Name of the shareholder	As at March 31, 2026		As at March 31, 2025	
	No. of shares	% of holding	No. of shares	% of holding
Pace Digitek limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	39,86,710	79.74%	39,86,710	79.74%
Venugopal Maddisetty	5,06,645	10.13%	5,06,645	10.13%
Maddisetty Padma	5,06,645	10.13%	5,06,645	10.13%

(d) Details of shares held by promoter and promoter group :

Particulars	As at March 31, 2026			As at March 31, 2025		
	No. of shares	% of holding	% of change	No. of shares	% of holding	% of change
Pace Digitek limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	39,86,710	79.74%	0%	39,86,710	79.74%	0%
Venugopal Maddisetty	5,06,645	10.13%	0%	5,06,645	10.13%	0%
Maddisetty Padma	5,06,645	10.13%	0%	5,06,645	10.13%	0%
Total	50,00,000	100.00%	-	50,00,000	100.00%	-

(e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :

The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The Company has neither allotted any fully paid up shares by way of bonus shares nor has bought back any class of shares during the period of five years immediately preceding the balance sheet date.

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



17 Other equity

Particulars		As at March 31, 2026	As at March 31, 2025
Retained earnings	(i)	1,992.00	1,509.95
Other comprehensive income	(ii)	10.70	16.30
Capital reserve	(iii)	150.90	150.90
Total other equity		2,153.60	1,677.15
(i) Retained earnings			
Opening balance		1,509.95	907.80
Add: Profit for the year		482.05	602.15
Closing Balance		1,992.00	1,509.95
(ii) Other comprehensive income			
Opening balance		16.30	16.63
Add: Addition during the year		(5.60)	(0.32)
Closing Balance		10.70	16.30
(iii) Capital reserve			
Opening balance		150.90	150.90
Add: Addition during the year		-	-
Closing balance		150.90	150.90
Total (i+ii)		2,153.60	1,677.15

Nature and purpose of reserves:

Retained earnings

Retained earnings are profit/loss that the Company has earned till date less transfer to other reserve, dividend or other distribution or transaction with shareholder.

Capital reserves

Capital reserve represents the accumulated excess of the fair value of net assets acquired under acquisition over the aggregate consideration transferred.

Other items of other comprehensive income

Other items of other comprehensive income consist of re-measurement of net defined benefit liability.



18 Borrowings (Non current)

Particulars	As at March 31, 2026	As at March 31, 2025
(A) Secured		
Term Loan		
From Banks	57.57	79.56
From financial institutions	-	33.34
Total secured borrowings	57.57	112.90

Secured loans are covered as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
1) GECL Loan 1.0 - Canara Bank		
Less: Current maturities disclosed as short-term borrowings in note 21	-	11.52
(A)	-	(11.52)

Terms & conditions

Rate of interest: 9.25% p.a.

Repayment: Repayable in 36 EMI's after 12 months Moratorium period w.e.f. December 31, 2022

Security details: Loan given under working capital limit, with securities of debtors & stock

2) GECL Loan 2.0 - Canara Bank

Less: Current maturities disclosed as short-term borrowings in note 21

(B)	12.23	24.47
	(12.23)	(12.23)
	-	12.23

Terms & conditions

Rate of interest: 9.25% p.a.

Repayment: Repayable in 36 EMI's after 24 Months Moratorium period w.e.f. April 25, 2024

Security details: Loan given under working capital limit, with securities of debtors & stock

3) Canara Bank car loan

Less: Current maturities disclosed as short-term borrowings in note 21

(C)	67.33	76.03
	(9.63)	(8.70)
	57.57	67.33

Rate of interest: 8.50% p.a.

Repayment: Repayable in 84 EMI's w.e.f. December 21, 2024

Security details: Loan given under hypothecation of 4 wheeler

4) Oxyzo Financial Services Private Limited Term loan

Less: Current maturities disclosed as short-term borrowings in note 21

(D)	130.82	125.50
	(130.82)	(92.16)
	-	33.34

Terms & conditions

Rate of interest: 13.25% p.a.

Repayment: Repayable in 12 EMI's w.e.f. December 26, 2025

Security details: Loan given under term loan, with cash collateral lien of fixed deposit

Total long term borrowings (A+B+C+D)

	57.57	112.90
	(152.68)	(124.61)

Total current maturities of long term borrowings

	21.86	32.45
	130.82	92.16

Current maturities of long term borrowings from banks

Current maturities of long term borrowings from financial institutions

19 Non - current lease liability

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities (Refer note 36)	522.34	-
	522.34	-

20 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Non current		
Gratuity (Refer note 39)	14.29	5.63
Compensated absences	8.05	3.93
Provision for warranty (Refer note below 20.1)	388.17	504.42
Total provision	410.51	513.98
Current		
Gratuity (refer note 39)	3.06	2.10
Compensated absences	0.94	1.13
Provision for warranty (Refer note below 20.1)	89.38	40.16
Provision for liquidated damages (Refer note below 20.2)	84.69	80.52
Total provision	178.07	123.91



20.1 Movement in provision for warranty (current and non current):

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	544.58	273.23
Interest on warranty provision	38.05	-
Recognised during the year	-	271.35
Utilised / (reversed) during the year	(105.08)	-
Balance at the end of the year	477.55	544.58
Non current	388.17	504.42
Current	89.38	40.16

The Company gives warranties on certain products and services, undertaking to repair or replace the items that fail to perform satisfactorily during the warranty period. Provision made at year ended, represents the amount of the expected cost of meeting such obligations of rectification/replacement. The timing of the outflows is expected to be within a period of 1 to 5 years from the date of balance sheet.

20.2 Movement in provision for liquidated damages :

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	80.52	-
Recognised during the year	4.17	80.52
Utilised/reversed during the year	-	-
Balance at the end of the year	84.69	80.52

Liquidated damages represents the estimated cost the company is likely to incur during defect liability period as per the contract obligations and in respect of completed construction contracts accounted under Ind AS 115 "Revenue from contracts with customers".

21 Current financial liabilities - borrowing

Particulars	As at March 31, 2026	As at March 31, 2025
Secured (carried at amortised cost)		
From Banks		
Working capital facilities from banks	1,338.90	336.07
Current maturities of long term borrowings	21.86	32.45
From financial institution		
Trade finance loan	33.68	201.69
Supplier financing arrangement	198.99	-
Current maturities of long term borrowings	130.82	92.16
Total	1,724.25	662.37

Notes:

i) Secured loans:-

From Banks

Details of cash credit and working capital demand loan:

(a) The Company has availed cash credit and working capital demand loan facilities from Canara Bank i.e sanctioned limits of Rs. 450.00 million, outstanding balance as at March 31,2026 : Rs 447.24 million (March 31,2025 : Rs.332.18 million). These facilities are secured by pari-passu charge against all Inventory and trade receivables, present and future, and are guaranteed by director of the Company. The loan are repayable on demand and carry interest rate in the range of 9.70% to 11.75% p.a.

(b) The Company has availed working capital facilities from ICICI Bank and has sanctioned limit of Rs. 100.00 million, outstanding balance as at (March 31,2026 : Rs.98.88 million, March 31,2025 : Rs. 3.89 million). These facilities are secured against fixed deposit as margin money for the purpose of working capital requirements and carry interest rate in the range of 9.50% p.a. to 11.75%.

(c) The Company has availed working capital facilities from IDBI Bank and has sanctioned limit of Rs. 500.00 million, outstanding balance as at (March 31,2026 : Rs.493.63 million). These facilities are secured against fixed deposit as margin money for the purpose of working capital requirements and carry interest rate in the range of 8.95 % p.a. to 10.5%.

(d) The Company has availed working capital facilities from RBL Bank and has sanctioned limit of Rs. 300.00 million, outstanding balance as at (March 31,2026 : Rs.299.15 million). These facilities are secured against fixed deposit as margin money for the purpose of working capital requirements and carry interest rate in the range of 8.95 % p.a. to 10.5%.

From financial institution

(e) The Company has availed trade finance from Oxyzo Financial Services Private Limited and has sanctioned limit of Rs.200.00 million outstanding balance as at March 31,2026 : Rs. 33.68 million, March 31,2025 : Rs. 201.69 million). These facilities are secured against bank guarantee for the purpose of trade finance and carry interest rate in the range of 13.25% to 14.00% p.a.

(f) Certain suppliers are subject to supplier financing arrangements whereby the original obligation to the supplier is extinguished upon payment by a financing institution and replaced by an obligation to the financier, with a significantly extended repayment period and outstanding balance as at (March 31,2026: Rs.198.99 million, March 31, 2025: Nil).



Reconciliation between opening and closing liabilities arising from financing activities:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Borrowings	Lease liabilities	Borrowings	Lease liabilities
Balance at the beginning of the year	775.27	-	611.72	-
Cash flows:				
Payment of lease liabilities	-	(15.64)	-	-
Interest expense paid on lease liabilities	-	(34.99)	-	-
Proceeds from long term borrowings	-	-	218.10	-
Repayment of long term borrowings	(21.07)	-	(28.45)	-
Proceeds/(repayment) of short term borrowings	1,024.65	-	(26.09)	-
Finance costs paid	(102.20)	-	(108.42)	-
Non-cash changes:				
Finance costs	105.16	-	108.42	-
New lease liabilities recognised	-	558.86	-	-
Interest expense accrued during the year	-	34.99	-	-
Closing balance	1,781.82	543.21	775.27	-

22 Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liabilities (Refer note 36)	20.88	-
Total	20.88	-

23 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Total outstanding dues of micro enterprises and small enterprises	1.72	7.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,716.81	1,871.31
of the above trade payables amounts due to related parties are as below:	3,718.53	1,879.02
Trade payables due to related parties (Refer note 38)	42.99	49.37

(a) Trade payables are generally non-interest bearing and are settled within normal operating cycle of the Company

(b) Trade payables ageing schedules

As at March 31, 2026

Particulars	Unbilled	Not due	Outstanding for following periods from due dates of payment as at March 31, 2026				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	1.17	0.55	-	-	-	1.72
Total outstanding dues of creditors other than micro enterprises and small enterprises	375.14	1,989.24	919.25	407.48	21.25	4.45	3,716.81
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	375.14	1,990.41	919.80	407.48	21.25	4.45	3,718.53

As at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following periods from due dates of payment as at March 31, 2025				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	4.75	2.97	-	-	-	7.71
Total outstanding dues of creditors other than micro enterprises and small enterprises	285.90	595.17	884.90	86.21	16.25	2.88	1,871.31
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	285.90	599.92	887.87	86.21	16.25	2.88	1,879.02

(a) The Company engaged in business transactions with the related party, Pace Power Tanzania Limited, in a previous year, for the import of goods or services. Consequently, the Company has outstanding foreign currency trade payables amounting to Rs. 2.95 million. However, these payables of Rs 2.24 million have remained unsettled for more than three years from the transaction date, as Pace Power Tanzania Limited does not have a bank account to which the Company can transfer the funds within the timeframe specified under the Foreign Exchange Management Act, 1999.

(b) The Company has undertaken business transactions with foreign vendors during the year, resulting in foreign currency payables on account of import of goods and services. As at March 31, 2026, foreign currency payables amounting to Rs.31.55 million have an ageing of more than 180 days, and Rs.29.26 million have an ageing of more than one year. The Company is in the process of obtaining the necessary approvals from the relevant regulatory authorities in this regard.

In accordance with the Reserve Bank of India's (RBI) Master Direction – Import of Goods and Services, any extension of the time limit for settlement of import dues beyond the prescribed period requires prior approval from the Authorised Dealer (AD) Category-I Bank or the RBI. As per the guidelines, import payments are to be settled within six months (or within 12 months where the date of shipment was on or before July 31, 2020). Accordingly, the Company is in the process of seeking the necessary approvals from the AD Category-I Bank/RBI to ensure compliance with the provisions of the Foreign Exchange Management Act, 1999 and the applicable RBI directions.



24 Other financial liabilities - current

Particulars	As at March 31, 2026	As at March 31, 2025
Carried at amortised cost		
Employee related payables		
Provision for unspent CSR {Refer note 34(b)}	35.48	21.25
Other payable to related party (Refer note 38)	3.12	10.79
Total	38.60	45.80

Refer note 41 for information about liquidity risk and market risk of other financial liabilities.

25 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities*	14.05	11.48
Advance from customers		
From related party (Refer note 38)		
From others	1,276.69	-
Total	20.15	11.64
	1,310.89	23.12

* It includes amount related to income tax, GST, ESI and PF etc.

26 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance tax and TDS of Rs. 28.81 million at March 31, 2026 and Rs. 19.80 million as at March 31, 2025)		
Total	34.26	105.91
	34.26	105.91

27 Revenue from operations

A Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products		
Sale of products	7,833.61	278.05
Sale-engineering, procurement and construction project (EPC) *	2,671.08	5,882.96
Sale of services	131.30	124.26
Total revenue from operations	10,635.99	6,285.27

B. Disaggregation of revenue from contracts with customers :

(i) The following table provides information about revenue recognised over point in time and satisfied over time

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Point in time	7,833.61	278.05
Satisfied over time	2,802.39	6,007.22
Revenue from contracts with customers	10,635.99	6,285.27

(ii) Geographic revenue

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Within India	10,585.01	6,260.12
Outside India	50.98	25.15
Total	10,635.99	6,285.27

C. Contract assets

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Less: Bills raised	-	-
Less: Reversed during the year	-	-
Addition during the year	-	-
Closing balance	-	-

D. Contract liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	11.64	7.35
Add: Amount billed but not recognized as revenue	1,296.84	11.64
Less: On account of revenue recognized during the year	(11.64)	(7.35)
Balance at the end of the year	1,296.84	11.64

E. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

Particulars	As at March 31, 2026	As at March 31, 2025
-Receivables, which are included in 'trade receivables'	5,376.45	3,308.86
Contract assets (unbilled revenue)	-	-
Contract liabilities (unearned revenue)	1,296.84	11.64



F. Reconciliation of contract price

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price	11,625.77	6,365.78
Adjustments for:		
Less: Offset against material purchase*	(985.62)	-
Less: Liquidated damages	(4.17)	(80.52)
Total Revenue from contract with customers	10,635.99	6,285.27

*The Company evaluated certain customer arrangements, including the related contractual terms and conditions, and concluded that the sale of products should be presented net of against purchases of value-added products from the same counterparty, as such presentation appropriately reflects the commercial substance of these transactions. Accordingly, in compliance with the requirements of Ind AS 115, Revenue from Contracts with Customers, revenue amounting to Rs. 985.62 million for the year ended March 31, 2026 (March 31, 2025: Nil) has been recognized and presented on a net basis.

The Company earned revenue from two external customers during the current year and from two external customer in the previous year, each of whom individually contributed 10% or more of the total revenue in the respective reporting periods.

28 Other income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income from financial assets carried at amortised cost		
Fixed deposits with banks	30.59	26.16
Other interest income	4.40	4.67
Other non-operating income		
Liabilities no longer required written back	47.24	6.96
Reversal of warranty expenses	105.08	-
Interest income on corporate guarantee	-	11.25
Balance written back	-	59.50
Profit on sale of property, plant and equipment	-	0.29
Other gains/ (losses)		
Reversal of expected credit loss	3.66	15.82
Total	190.97	124.65

29 Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	652.48	679.24
Add: Purchases during the year*	7,647.58	2,254.58
Less: Closing stock	(1,830.86)	(652.48)
Total	6,469.20	2,281.34

*The Company has evaluated certain supplier arrangements, including the related contractual terms and conditions. Based on such evaluation, the related costs have been recognised on a net basis. Consequently, Corresponding cost of goods amounting to March 31, 2026: Rs. 2,962.20 million (March 31, 2025: Nil) have been netted off in the Statement of profit and loss.

29.1 Engineering, procurement and construction project expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Engineering, procurement and construction project expenses	817.43	846.12
Total	817.43	846.12

29.2 Purchases of stock-in-trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases	2,036.66	618.77
Total	2,036.66	618.77

30 Changes in inventories

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Inventories at the beginning of the year	25.61	876.56
Less: Inventories at the end of the year	(257.65)	(25.61)
Total changes in inventories	(232.04)	850.95

31 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	161.79	100.86
Contributions to provident and other funds	7.84	5.25
Gratuity expenses (Refer note 39)	1.95	1.04
Staff welfare expenses	17.74	10.01
Total	189.32	117.16



32 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest cost		
Interest expenses		
Interest on lease liabilities	105.16	94.66
Interest cost on payment of tax	34.99	-
Unwinding of interest on warranty provision	16.18	-
Corporate guarantee expenses	38.05	-
Other borrowing cost*	-	13.76
Total	24.92	21.06
	219.30	129.48

* Primarily includes bank guarantee charges of Rs. 12.61 million (for previous year Rs.13.38 million) and letter of credit charges of Rs. 12.31 million (for previous year Rs.7.68 million).

33 Depreciation and amortisation expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Depreciation on property, plant and equipment (Refer note 3)	45.89	17.83
Amortisation of intangible assets (Refer note 4)	0.07	0.44
Amortisation on right to use assets (Refer note 5)	38.61	-
	84.57	18.26

34 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power and fuel	14.50	10.19
Bank charges	8.91	20.60
Freight outward	66.48	90.23
Lab testing charges	2.42	4.22
Rent (Refer note 36)	49.01	48.83
Repairs & maintenance-others	13.26	8.57
Rates and taxes	5.62	7.64
Postage, courier & telephone Expenses	10.62	6.81
Travelling & conveyance	15.54	4.45
Printing & stationery	1.92	2.44
Legal and professional fees	29.24	29.04
Auditor's remuneration	2.20	1.80
CSR expenditure {Refer note 34(b)}	12.98	7.67
Bad debts written off	35.73	43.26
Warranty charges	-	271.35
Net foreign exchange rate fluctuation loss	203.42	24.56
Donation	-	0.01
Management support services	100.32	97.87
Intangible assets written off	-	11.56
Miscellaneous expenses	16.87	18.90
Total	589.04	710.00

(a) Auditor's remuneration comprises fees for audit of:
Statutory audit fee

	2.20	1.80
	2.20	1.80



Notes forming part of the financial statements for year ended March 31, 2026
(Amounts are ₹ in million, unless otherwise stated)

(b) The details of Corporate Social Responsibility as prescribed under Section 135 of the Companies Act, 2013 are as follows:

As per Section 135 of the Companies Act, 2013, a Company needs to spend at least two per cent of its average net profit for the immediately preceding three financial years on corporate social responsibility (CSR) activities. The Board had approved the projects with specific outlay on the activities as specified in Schedule VII of the Act, in pursuance of the CSR Policy. Gross amount required to be spent by the Company during the year is Rs. 12.98 million (March 2025 Rs.7.67 million)

Amount voluntary spent during the year on :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Amount required to be spent by the Company during the year as per Section 135 of Companies Act, 2013.	12.98	7.67
b) Amount approved by the Board to be spent during the year	12.98	7.67
c) Amount of expenditure incurred on:		
(i) Construction/acquisition of any assets	-	-
(ii) On purposes other than (i) above	-	-
(d) Total of previous year shortfall/(surplus)	20.65	-
(e) Shortfall / (surplus) at the end of the year	10.79	3.12
	3.12	10.79
Amount recognised in statement of profit and loss		
Total amount spent	12.98	7.67
Amount yet to be spent	20.65	-
	3.12	10.79

Reason for shortfall	NA	NA
Nature of CSR activities	Contribution for promoting education	Contribution for promoting education
Details of related party transactions	No	No

Details of ongoing CSR expense under Section 135(6) of the Act

Year	Opening balance		Amount required to be spent during the year	Amount spent during the year*		Closing balance	
	With the Company	In Separate CSR Unspent A/c		From Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent A/c
FY 2025-26	-	-	12.98	12.98	-	-	-
FY 2024-25	-	-	-	-	-	-	-

*During the year ended March 31, 2026, the Company incurred CSR expenditure of Rs. 12.98 million (previous year: Nil) against the amount of Rs. 12.98 million required to be spent under Section 135(5) of the Companies Act, 2013. The said amount of Rs. 12.98 million was irrevocably transferred on March 31, 2026 to Shri Jain Manav Seva Trust towards CSR activities and was utilized subsequent to the balance sheet date. The Management has considered this amount as CSR expenditure incurred during the year, as the funds have been irrevocably transferred to the Trust and are not recoverable by the Company.

Details of other than ongoing CSR expense under Section 135(5) of the Act

Year	Opening balance		Amount required to be spent during the year	Amount spent during the year		Closing balance	
	With the Company	In Separate CSR Unspent A/c		From Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent A/c
FY 2025-26	10.79	-	-	7.67	-	3.12	-
FY 2024-25	3.12	-	7.67	-	-	10.79	-



35 Earnings per Share ("EPS")

The Company presents the basic and diluted EPS data for its equity shares

(i) Basic EPS is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year;

(ii) Diluted EPS is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The following table sets forth the computation of basic and diluted earnings per share:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Face value of shares (₹)	10	10
Profit after tax attributable to owners for computing Basic and Diluted EPS (A)	482.05	602.15
Weighted average number of equity shares outstanding during the year for computing Basic EPS (B)	50,00,000	50,00,000
Dilutive effect on weighted average number of equity shares outstanding during the period	-	-
Weighted average number of equity shares in calculating diluted EPS(C)	50,00,000	50,00,000
Basic earnings per share (A/B) (Rs.)	96.41	120.43
Diluted earnings per share (A/C) (Rs.)	96.41	120.43

36 Leases as lessee

The Company has entered into agreements for leasing factory building and Plant & machinery on lease and for entering into said lease.

a) Amounts recognised in profit or loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities	34.99	-
Depreciation charge on right of use assets	38.61	-
Expense relating to short term lease and lease of low value assets	49.01	48.83
Total	122.61	48.83

b) The following is the movement in lease liabilities during the year

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	-	-
Addition during the year	558.86	-
Deletion during the year	-	-
Finance cost accrued during the year	34.99	-
Interest expense paid on lease liabilities	(34.99)	-
Principal payment of lease liabilities	(15.64)	-
Balance at the end of the year	543.22	-

c) The following is the break-up of current and non-current lease

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease liabilities	20.88	-
Non-current lease liabilities	522.34	-
Total	543.22	-

d) The contractual maturity of lease liabilities on an undiscounted basis is as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one year	76.93	-
Later than one year but not later than five years	348.15	-
Later than five years	460.04	-
Total	885.12	-

A. The Company has entered into leases of low-value assets and short-term leases (less than twelve months). In line with applicable accounting standards, these leases are not recognized as right-of-use assets or lease liabilities. Instead, Such lease payments are expensed on a straight-line basis under "Rent expenses" in the statement of profit and loss.



37 Tax expenses

A. Income tax expense recognised in statement of profit and loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current tax		
Earlier year tax adjustments	180.10	175.71
Deferred tax charge/(credit)	1.70	40.16
Deferred tax charge on other comprehensive income	(10.37)	19.82
Tax expenses for the year	(1.88)	(0.11)
	169.54	235.58

B. Reconciliation of income tax expense -

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Reconciliation of effective tax rate		
Accounting profit/(loss) before income tax (A)	653.48	837.84
Enacted income tax rate (%)	25.17%	25.17%
Tax amount on enacted income tax rate in India	164.47	210.87
Tax effect of :		
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income	3.38	1.96
Adjustments in respect of current income tax of previous year	1.70	22.76
others	-	-
Income tax expenses recognised in the statement of profit and loss	169.54	235.58

C. Amount recognised in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	(7.48)	(0.43)
Tax on remeasurement of defined benefit plan charge/ (credit)	1.88	0.11

D. Deferred tax balances

Movement of deferred tax (assets) and liabilities (net) for the year ended March 31, 2026

Particulars	Opening balance as at April 01, 2025	(Recognised) / reversed through the statement of profit and loss	Recognised through OCI	Closing balance as at March 31, 2026
Deferred tax (liability) on				
Property, plant and equipment and Intangible Assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/amortisation charged for financial reporting	2.31	2.93	-	5.25
Provision for warranty	3.82	0.00	-	3.82
Right to use asset and lease liability	-	5.78	-	5.78
Deferred tax asset on				
Provision for expected credit losses	55.71	(0.92)	-	54.79
Provision for employee benefit	3.22	1.53	1.88	6.63
Provision for liquidated damages	20.26	1.05	-	21.31
Net deferred tax asset/(liabilities)	85.33	10.37	1.88	97.58

Movement of deferred tax (assets) and liabilities (net) for the year ended March 31, 2025

Particulars	Opening balance as at April 01, 2024	(Recognised) / reversed through the statement of profit and loss	Recognised through OCI	Closing balance as at March 31, 2025
Deferred tax (liability) on				
Property, plant and equipment and Intangible Assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/amortisation charged for financial reporting	(0.92)	3.23	-	2.31
Reversal of adjustment on previous year tax	(17.40)	17.40	-	-
Provision for warranty	(1.25)	5.07	-	3.82
Deferred tax asset on				
Provision for expected credit losses	59.69	(3.98)	-	55.71
Impairment of investment	0.00	(0.00)	-	-
Impact on corporate guarantee	14.98	(14.98)	-	-
Provision for employee benefit	2.81	0.30	0.11	3.22
Reversal of revenue and related cost	47.13	(47.13)	-	-
Provision for liquidated damages	-	20.26	-	20.26
Net deferred tax asset/(liabilities)	105.04	(19.82)	0.11	85.33



38 Related party disclosures:

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", notified under section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time), are disclosed below:

A. Names of related parties and description of relationship:

Related parties where control exists:

Entity name	Relationship
Pace Digitek limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	Holding Company
Pace Renewable Energies Private Limited	Fellow-Subsidiary
Lineage Power Holdings (Singapore) Pte Ltd	Fellow-Subsidiary
Inso Pace Private Limited	Fellow-Subsidiary
AP Digital Infra Private Limited (Upto January 20, 2026)	Fellow-Subsidiary
Lineage Power (Myanmar) Limited	Fellow-Subsidiary

Other related parties with whom transactions have taken place during the year/ previous year and the nature of related party relationship:

Key management personnel (KMP):

Venugopalrao Maddisetty	Director
Maddisetty Padma	Director
Rajiv Maddisetty	Director
Rohitha Mudduluru	Director
Prabhakar Reddy Patil	Independent Director (w.e.f. October 04, 2025)
Satishchandra B Ogle	Independent Director (w.e.f. October 04, 2025)

Relatives of key management personnel

Lahari Maddisetty	Daughter of Managing Director
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Other entities over which key management personnel and their relatives are able to exercise significant influence:

Entity Name	Relationship
Pace Power Africa Limited	Entities over which key management personnel and their relatives are able to exercise significant influence
Pace Power Systems	
Qoqno Digital Infrastructure Private Limited	
Pace Power Tanzania Limited	

The following table summarises related-party transactions and balances for the year ended March 31 2026 and March 31 2025 .

B. Transactions with the related parties for the year ended

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operation		
Sale-engineering, procurement and construction project (EPC)		
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	2,784.00	4,600.44
Lineage Power (Myanmar) Limited	9.93	4.16
Pace Renewable Energies Private Limited	988.22	-
Pace Power Africa Limited	1.08	-
Total	3,783.23	4,604.60
Purchases of stock-in-trade		
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	7.45	-
Total	7.45	-
Engineering, procurement and construction project expenses		
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	10.62	27.53
Total	10.62	27.53
Other income		
Balance written back		
Pace Renewables Energies Private Limited	-	30.66
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	-	28.80
Total	-	59.47



Rental paid		
Pace Power Systems	33.57	32.59
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	54.95	
Total	88.52	32.59
Rental deposit received		
Pace Power Systems	-	10.00
Total	-	10.00
Compensation paid to key management personnel:		
Short term employee benefits		
Venugopalrao Maddisetty	8.60	8.60
Rohitha Mudduluru	6.70	6.30
Total	15.30	14.90
Post employee benefits		
Venugopalrao Maddisetty	2.00	-
Rohitha Mudduluru	0.28	0.07
Total	2.28	0.07
Sitting fee paid to independent directors		
Prabhakar Reddy Patil	0.14	-
Satishchandra B Ogale	0.14	-
Total	0.27	-
Payments made on behalf of us		
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	567.53	759.18
Total	567.53	759.18
Interest expense on corporate guarantee		
Pace Renewables Energies	-	1.76
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	-	12.00
Total	-	13.76
Other income		
Interest Income on corporate guarantee		
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	-	11.25
Total	-	11.25
Other expenses		
Management support services		
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	100.32	97.87
Total	100.32	97.87
Miscellaneous expenses		
Pace Power Africa Limited	-	9.08
Total	-	9.08

C. The following balances are outstanding at the end of the reporting period in relation to transactions with related parties

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivable		
Lineage Power (Myanmar) Limited	6.49	0.28
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	150.00	2,098.56
Pace Power Africa Limited	1.10	-
Total	157.58	2,098.84
Trade payables		
Pace Power Tanzania	2.94	3.28
Pace Renewables Energies Private Limited	-	11.75
Pace Power Systems	40.04	34.35
Total	42.99	49.37
Advance to supplier		
Qogno Digital Infrastructure Private Limited	113.78	113.78
Pace Renewables Energies Private Limited	78.40	-
Total	192.18	113.78
Advance from related party		
Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	1,276.69	-
Total	1,276.69	-
Deposit		
Rental deposit		
Pace Power Systems	19.78	19.78
Total	19.78	19.78



Other financial asset

Interest receivable on corporate guarantee

Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

Total - 11.25

Other financial liability

Amount payable to related party

Pace Renewables Energies

Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) - 1.76

Total - 12.00

Remuneration payable to key managerial person

Venugopalrao Maddisetty

0.72 0.72

Rohitha Mudduluru

0.62 0.53

Total 1.34 1.24

Note:

i. Pace Digitek limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited), Pace Renewable Energies Private Limited and Pace Power System have provided joint corporate guarantees on behalf of the Company to Canara Bank for the various credit facilities availed by the Company (including non-fund based facilities).The said corporate guarantee continues to remain in force during the current year. Further, based on a valuation carried out by an independent valuer, the fair value of the corporate guarantee is determined to be Nil, and accordingly, no corporate guarantee interest has been charged or recognised.

The details of such corporate guarantees received/ (released) during the period and the closing balance of such corporate guarantees is given below:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Closing balance of joint corporate guarantees received	1,200.00	1,200.00

ii. The Company has provided joint corporate guarantees with Pace Renewable Energies Private Limited and Pace Power System on behalf of the Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) "Holding Company" to Canara Bank for the various credit facilities extended to Holding Company (including non-fund based facilities).The said corporate guarantee continues to remain in force during the current year. Further, based on a valuation carried out by an independent valuer, the fair value of the corporate guarantee is determined to be Nil, and accordingly, no corporate guarantee interest has been charged or recognised.

The details of such corporate guarantees provided / (released) during the period and the closing balance of such corporate guarantees is given below:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Closing balance of joint corporate guarantees provided	7,070.00	6,615.70

iii. Related parties and their relationships are as identified by the management and relied upon by the auditors. All transactions are conducted in the ordinary course of business and at arm's length

iv. No termination benefits or share-based payment arrangements existed during the year March 31,2026 and March 31,2025 and accordingly no related expense, liability or reserve has been recognised.



39 Employee benefits

Disclosures pursuant to Ind AS - 19 "Employee Benefits" (notified under the section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rule 2015 (as amended from time to time) and other relevant provision of the Act) are given below :

Defined contribution plans:

The Company makes contribution in the form of provident funds as considered defined contribution plans and contribution to Employees Provident Fund Organisation. The Company has no further payment obligations once the contributions have been paid. Following are the schemes covered under defined contributions plans of the Company:

Provident fund plan & employee pension scheme: The Company makes monthly contributions at prescribed rates towards Employee Provident Fund administered and managed by Ministry of Labour & Employment, Government of India.

Employee state insurance: The Company makes prescribed monthly contributions towards Employees State Insurance Scheme and payment made to Employee State Insurance Corporation, Ministry of Labour & Employment, Government of India.

The Company has charged the following costs in contribution to provident and other funds in the statement of profit and loss:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Provident fund paid to the authorities	7.26	4.78
Employee state insurance paid to the authorities	0.55	0.46
Labour welfare fund	0.02	0.01
Total	7.84	5.25

Defined benefit plan- gratuity

The Company operates following defined benefit obligations:

Gratuity: In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation on the reporting date.

During the previous year, the defined benefit plan for gratuity is administered by gratuity trusts which are legally separate from the entities. The trustees of the gratuity trusts are required to act in the best interests of the members and/or their beneficiaries in accordance with the provisions of trust deeds.

The following tables summaries the components of net benefits expense recognised in the statement of profit and loss (including other comprehensive income) and the amount recognised in the statement of assets and liabilities for the defined benefit plan.

i) Reconciliation of net defined benefit liability

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components

Defined benefit obligation	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	7.76	7.46
Current service cost	1.43	0.79
Interest cost	0.52	0.25
Benefit pay-outs from plan	0.19	(1.18)
Actuarial loss / (gain) arising from:	-	-
- demographic assumptions	0.24	-
- financial assumptions	(1.10)	0.28
- experience adjustment	8.34	0.15
Balance at the end of the Year	17.38	7.76

ii) Reconciliation of the net defined benefit liability / (asset)

Particulars	As at March 31, 2026	As at March 31, 2025
Fair value of plan assets at end of prior year	0.03	0.03
Employer contribution	-	-
Employer direct benefit payments	-	1.18
Present value of unfunded obligation	-	-
Expected Interest income of assets	0.00	0.00
Benefits pay-outs from employer	-	(1.18)
Benefits pay-outs from plan	-	-
Actuarial gain/(loss)	(0.00)	0.00
Fair value of assets at the end	0.03	0.03
Net defined benefit liability / (asset)	17.35	7.73

iii) Amounts recognised in the statement of profit or loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	1.43	0.79
Interest expense on DBO	0.52	0.25
Interest (income on plan asset)	(0.00)	(0.00)
Immediate recognition of (gain)/losses - other long term benefits	-	-
Expenses recognised in the statement of profit or loss	1.95	1.04

iv) Amounts recognised in the other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement loss (gain):		
- Actuarial loss (gain) arising from:		
- demographic assumptions	0.24	-
- financial assumptions	(1.10)	0.28
- experience adjustment	8.34	0.15
Return on plan assets (more)/Less than expected based on discount rate	-	(0.00)
Total actuarial (gain)/loss included in OCI	7.48	0.43



iv) Plan assets comprise of the following:

Particulars	As at March 31, 2026	As at March 31, 2025
Fund under plan assets	0.03	0.03
Total	0.03	0.03

v) Bifurcation of present value of obligation at the end of the year

Particulars	As at March 31, 2026	As at March 31, 2025
Gratuity :		
Current liability	3.06	2.10
Non current liability	14.29	5.63
Total liability	17.35	7.73

vi) Sensitivity analysis

The following were the principal actuarial assumptions at the reporting date

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.53%	6.73%
Salary escalation	7.00%	7.00%
Attrition rate	10.00%	20.00%
Mortality rate	N.A.	N.A.
Retirement age	58 Years	58 Years

vii) Information on the maturity profile of the liabilities given below

Particulars	As at March 31, 2026	As at March 31, 2025
Projected benefit obligation	17.38	7.76
Accumulated benefits obligation	10.87	7.18
Five year payouts :-		
Year I	0.70	0.75
Year II	0.62	0.59
Year III	0.52	0.49
Year IV	0.45	0.36
Year V	0.98	0.29
Next 5 year pay - outs (6-10 years)	4.00	2.05
Pay-outs above ten years	10.12	3.23
Vested benefit obligations	13.69	6.73

Note:

The Company has estimated and recognized the impact of the implementation of the new Labour Codes under employee benefits expense for the year ended March 31, 2026. The impact of the same is not material for the current year.



40 Disclosure on financial instruments

This section gives an overview of the significance of financial instruments for the Company and provides additional information on balance sheet items that contain financial instruments.

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the financial statements.

A. Accounting classification, fair values measurements and fair value hierarchy

Particulars	As at March 31, 2026		As at March 31, 2025	
	Carrying values	Fair values	Carrying values	Fair values
Details of financial assets and financial liabilities :				
(A) Financial assets				
At amortised cost				
Trade receivables	5,376.45	5,376.45	3,308.86	3,308.86
Cash & cash equivalents	8.35	8.35	7.94	7.94
Bank balances other than cash and cash equivalents	823.04	823.04	339.65	339.65
Loan	-	-	-	-
Other financial assets (current and non current)	79.65	79.65	108.03	108.03
At cost				
Investments	-	-	-	-
Total	6,287.49	6,287.49	3,764.48	3,764.48
Financial liabilities				
Borrowings (short term and long term)	1,781.82	1,781.82	775.27	775.27
Lease liabilities (current and non current)	543.22	543.22	-	-
Trade payables	3,718.53	3,718.53	1,879.02	1,879.02
Other financial liabilities	38.60	38.60	45.80	45.80
Total	6,082.17	6,082.17	2,700.10	2,700.10

Management has assessed that fair value of trade receivables, cash and cash equivalents, other bank balances, other financial assets, trade payables, other financial liabilities and borrowings approximate their carrying amounts largely due to the short-term maturities of these instruments and are valued at level 3.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value.

(i) The fair values of the Company's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2026 was assessed to be insignificant.

(ii) Long-term borrowings, receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

Fair value hierarchy

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

Level 1 - Quoted (unadjusted) market prices in active markets for identical financial instrument

Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

41 Financial instrument- fair values and risk management

The Company's principal financial liabilities comprise loans and borrowings, trade payables, security deposits received, etc. The main purpose of these financial liabilities is to manage finances for the Company's operations. The Company's principal financial assets include investment, trade receivables, unbilled revenue, cash and cash equivalents, security deposits paid, etc. that derive directly from its operations. The Company holds at cost investments.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees the management of these risks. This process of risk management is critical to the Company's continuing profitability and each individual within the Company is accountable for the risk exposures relating to his or her responsibilities.

The Company's Board of Directors is ultimately responsible for the overall risk management approach and for approving the risk strategies and principles. No significant changes were made in the risk management objectives and policies during the years ended March 31 2026, and March 31 2025. The management of the Company reviews and agrees policies for managing each of these risks which are summarised below:

The Company has exposure to the following risks arising from financial instruments:

Aggregate amount of impairment in value of investments

- 1) Credit risk
- 2) Liquidity risk
- 3) Market risk

This note presents information about the Company's exposure to each of the above risks, the Company's objectives, policies and processes for measuring and managing risk, and the Company's management of capital.



1) Credit risk

Credit risk arises when a counterparty defaults on its contractual obligations to pay resulting in financial loss to the Company. The Company is exposed to credit risk from its operating activities, primarily trade receivables. The credit risks in respect of deposits with the banks, foreign exchange transactions and other financial instruments are only nominal.

a) Trade receivables

Customer credit risk is managed in accordance with Company's established policy, procedures and control relating to customer credit risk management. Trade receivables are non-interest bearing and due after 0 to 90 days from the date of invoice. The Company is entitled to demand interest, wherever applicable in case the customer does not pay within the due date. Outstanding customer receivables are regularly monitored. The ageing analysis of trade receivables as of the reporting date is as follows:

In order to contain the business risk especially with respect to long-duration construction & supply contracts, creditworthiness of the customer is ensured through scrutiny of its financials, status of financial closure of the project, if required, market reports and reference checks. The Company remains vigilant and regularly assesses the financial position of customers during execution of contracts with a view to restrict risks of delays and default. In view of its diversified business profile and considering the size of the Company, credit risks from receivables are well contained on an overall basis.

The impairment analysis is performed on each reporting period on individual basis for major customers. In addition, a large number of receivables are grouped and assessed for impairment collectively. The calculation of impairment loss is based on historical data of losses, current conditions and forecasts and future economic conditions. The Company's maximum exposure to credit risk at the reporting date is the carrying amount of each financial asset.

Overall, the credit risk from receivable is low in view of diverse businesses and government customers.

b) Provision for expected credit losses

The Company's customer base primarily comprises public sector undertakings (PSUs), government-owned entities, and large private sector corporates. Accordingly, the credit risk associated with its customers is considered low. The average project execution cycle ranges from 0 to 90 days. Payment terms generally include a mobilisation advance, monthly progress-based payments with credit periods ranging from 0 to 90 days, and retention amounts that are released upon completion of the project.

The Company has established a robust mechanism for periodic review of overdue trade receivables at various levels of the organisation to ensure timely collection and effective monitoring. The Company recognises impairment provisions on trade receivables using the Expected Credit Loss (ECL) model in accordance with the applicable accounting standards.

Reconciliation of expected credit loss provision

Trade receivables:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the	221.36	237.18
Additional provisions recognised during the year	-	-
Provision utilised/(reversed) during the year	(3.66)	(15.82)
Balance at the end of the year	217.70	221.36

Expected credit loss on trade receivables:

Particulars	As at March 31, 2026	As at March 31, 2025
Ageing of gross carrying		
Unbilled revenue	881.42	335.47
Not due	3,333.03	1,057.06
Less than 180 days	749.27	1,479.21
181-365 days	81.18	139.82
More than 1 year	549.25	518.65
Gross carrying amount	5,594.15	3,530.22
Expected credit loss	(217.70)	(221.36)
Net carrying amount	5,376.45	3,308.86

(ii) Financial instruments and cash deposits :

The credit risk for cash deposits with banks and cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due. The carrying amounts disclosed above are the Company's maximum possible credit risk exposure in relation to these deposits.

Other financial assets being security deposits and others are also due from several counter parties and based on historical information about defaults from the counter parties, management considers the quality of such assets that are not past due to be good.

Impairment on cash and cash equivalents, deposits and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties.

Based on the assessment there is no impairment in the above financial assets.

2) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are proposed to be settled by delivering cash or other financial asset. The company's financial planning has ensured, as far as possible, that there is sufficient liquidity to meet the liabilities whenever due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

The Company regularly monitors the rolling forecasts to ensure it has sufficient cash on an on-going basis to meet operational needs. Any short-term surplus cash generated, over and above the amount required for working capital management and other operational requirements, is retained as cash and cash equivalents (to the extent required) and any excess is invested in interest bearing term deposits with appropriate maturities to optimise the cash returns on investments while ensuring sufficient liquidity to meet its liabilities.

Maturity profile of financial liabilities

The table below provides details regarding the remaining contractual maturities of financial liabilities at the reporting date based on payments.

Particulars	Carrying amount	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2026					
Borrowings	1,781.82	1,731.25	69.96	0.39	1,801.59
Lease liabilities	543.22	76.93	348.15	460.04	885.11
Trade payables	3,718.53	3,718.53	-	-	3,718.53
Other financial liabilities	38.60	38.60	-	-	38.60
As at March 31, 2025					
Borrowings	775.27	662.37	112.90	-	775.27
Lease liabilities	-	-	-	-	-
Trade payables	1,879.02	1,879.02	-	-	1,879.02
Other financial liabilities	45.80	45.80	-	-	45.80



3) Market risk

Market risk is the risk that changes in the market prices such as foreign currency risk, interest risk, equity price and commodity prices. The market risk will affect the group's income or value of its holding of financial instruments. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the

(a) Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Company. The Company is a regular negotiation / adjustment of sale prices on the basis of changes in commodity prices. The Company is not significantly impacted by commodity price risk.

(b) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company main interest rate risk arises from long term borrowings with floating interest rates. The company optimises the interest rate risk by regularly monitoring the interest rate in the best interest of the company. The company has following fixed rate and floating interest rate long term borrowing:

At the reporting date the interest rate profile of the Company's interest bearing financial instrument is at its fair value:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Floating interest rate borrowings	341.91	161.48
Fixed Rate borrowings	67.33	76.03
Total	409.24	237.51

(c) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Impact on profit before tax equity	
	As at	As at
	March 31, 2026	March 31, 2025
Increase by 50 basis point	(17.10)	(8.07)
Decrease by 50 basis point	17.10	8.07

The assumed movement in basis points and interest rate sensitivity is based on currently observable market environment.

(4) 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 exchange rates. The company exposure to the risk of changes in exchange rates relates primarily to the company operations in foreign subsidiaries.

The Company is exposed to foreign currency risks arising from various currency exposures, with respect to the U.S. dollar. Foreign currency risks arise from future commercial transactions and recognized assets and liabilities, when they are denominated in a currency other than Indian Rupee.

The table below outlines the effect change in foreign currencies exposure for the year ended:

Change in assumption	As at March 31, 2026		As at March 31, 2025	
	Impact on Company's net income before tax for financial assets	Impact on Company's net income before tax for financial liabilities	Impact on Company's net income before tax for financial assets	Impact on Company's net income before tax for financial liabilities
Appreciation in foreign currencies by 10%	-	(89.02)	(0.00)	(8.87)
Depreciation in foreign currencies by 10%	-	89.02	0.00	8.87

42 Capital management

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt.

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital (including premium) and accumulated reserves disclosed in the Statement of changes in equity.

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit. No changes were made in the objectives, policies or process for managing its capital during the year ended March 31, 2026, and March 31, 2025.

Consistent with others in the industry, the company monitors capital on the basis of the following gearing ratio:

- net debt (total borrowings and lease liabilities net of cash and cash equivalents)
- divided by total 'equity' (as shown in the balance sheet)
- there have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Borrowings (non current)	57.57	112.90
Borrowings (current)	1,724.25	662.37
Lease liabilities (non current)	522.34	-
Lease liabilities (current)	20.88	-
Less: Cash and cash equivalents including bank balances	(8.35)	(7.94)
Total debt (A)	2,316.69	767.34
Total equity (B)	2,203.60	1,727.15
Capital and net debt (C=A+B)	4,520.29	2,494.49
Gearing ratio A/C	51.25%	30.76%



43 Ratio analysis

S.no	Ratio	Nature	March 31, 2026	March 31, 2025	% Change	Explanation for any change in the ratio by more than 25% as compared to the March 31, 2026
1	Current ratio	Times	1.36	1.76	-22.60%	Not applicable
2	Debt-equity ratio	Times	0.81	0.45	80.14%	The movement in the ratio is primarily attributable to higher level of borrowings during the year relative to shareholders' equity
3	Debt service coverage ratio	Times	2.40	11.73	-79.54%	The movement in the ratio is primarily attributable to lower operating cash flows generated during the year relative to the debt servicing obligations
4	Return on equity ratio	Percent	24.53%	42.22%	-41.91%	The movement in the ratio is primarily attributable to lower profitability during the year, which reduced net income available to shareholders.
5	Inventory Turnover Ratio	Times	7.69	5.63	36.64%	The movement in the ratio is primarily attributable to an increase in revenue during the year
6	Trade receivable turnover ratio	Times	2.45	1.67	47.06%	The movement in the ratio is primarily attributable to an increase in trade receivables during the year
7	Trade payable turnover ratio	Times	3.33	1.16	186.37%	The movement in the ratio is primarily attributable to an increase in trade payables during the year
8	Net capital turnover ratio	Times	5.01	4.03	24.36%	Not applicable
9	Net profit ratio	Percent	4.53%	9.58%	-52.69%	Due to lower profitability despite a increase in net sales during the year.
10	Return on capital employed	Percent	22.08%	38.66%	-42.89%	The movement in the ratio is primarily attributable to reduced profitability during the year, which lowered earnings before interest and tax (EBIT)
11	Return on investment	Percent	3.50%	6.39%	-45.17%	The movement in the ratio is primarily attributable to lower income generated from investments during the year.

Formula:

1	Current ratio = Current assets / Current liabilities
2	Debt-equity ratio = Total debt / Shareholder's equity
3	Debt service coverage ratio = Earnings available for debt service / Debt service
4	Return on equity ratio = Net profit after taxes / Average shareholder's equity
5	Inventory turnover ratio = Cost of goods sold / Average inventory
6	Trade receivables turnover ratio = Net sales / Average account receivables
7	Trade payables turnover ratio = Net purchases / Average trade payable
8	Net capital turnover ratio = Net sales / Average working capital
9	Net profit ratio = Net profit after taxes / Net sales
10	Return on capital employed = Earnings before interest and taxes / Average capital employed
11	Return on investment = Dividend from investment / Average investments



44 Additional regulatory information required by Schedule III of Companies Act, 2013

- (a) **Details of benami property held**
The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any benami property.
- (b) **Relationship with struck off companies**
The Company has not entered into any transactions with struck off companies during the current or previous year.
- (c) **Details of crypto currency or virtual Currency**
The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.
- (d) **Details of transaction disclosed under Income Tax Act**
The Company has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961)
- (e) **Charges or satisfaction**
The Company does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.
- (f) **Details of advanced or loaned or invested funds**
The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or
(b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries
- (g) **Details of fund received**
The Company has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:
(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
(b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (h) **Willful defaulter**
The Company is not a willful defaulter of any loan or other borrowing from any lender.
- (i) **Compliance with number of layers of companies**
The Company has complied with the number of layers of companies prescribed under the Companies Act, 2013.
- (j) **Compliance with approved scheme(s) of arrangements**
The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.
- (k) **Revaluation**
The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.
- (l) **Borrowing secured against assets**
The Company has borrowings from banks and financial institutions on the basis of security of current assets.
- (m) **Purpose of borrowings**
The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken and the Company has not used funds raised on short term basis for long term purpose.

45 Contingent liabilities, contingent assets and litigations, corporate guarantees and capital commitments

a) Guarantees

Particulars	As at March 31, 2026	As at March 31, 2025
Guarantees issued by banks and financial institutions on behalf of the Company		
Outstanding letter of credit	652.27	388.78
Total	652.27	388.78

The financial bank guarantees have been issued to various entities.

b) Contingent liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the Company not acknowledged as debts:		
Income tax matters	9.10	9.10
Indirect tax matters	43.20	35.33
Civil cases	3.61	-
Total	55.91	44.44

The Company pending litigations comprise of claims against the proceedings pending with various direct tax, indirect tax. The Management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its financial statements. The Management does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.



- 46 In pursuant to borrowing taken by the Company from banks on security of current assets, the Company is required to submit the information periodically which includes the stock statement, revenue, trade receivable and trade payable etc. During the current year and previous year, the Company has submitted the following financial information to all banks, from whom working capital demand loan has been taken, on quarterly basis which in some of these cases is not reconciled with books as follows:

Year ended March 31, 2026

Quarter ending	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
June 30,2025	Inventory	974.88	811.00	163.88	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2025	Inventory	1,057.76	1,057.70	0.06	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2025	Inventory	1,723.61	1,723.61	0.00	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2026	Inventory	2,088.51	2,088.46	0.04	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2025	Trade receivables	2,637.84	2,692.80	(54.96)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2025	Trade receivables	2,829.63	2,829.60	0.03	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2025	Trade receivables	1,943.05	1,943.10	(0.05)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2026	Trade receivables	5,376.45	5,376.50	(0.05)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2025	Trade payable	1,439.40	1,119.00	320.40	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2025	Trade payable	1,782.32	1,782.30	0.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2025	Trade payable	2,126.45	2,126.50	(0.05)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2026	Trade payable	3,718.53	3,718.50	0.03	
June 30,2025	Revenue	481.37	598.40	(117.03)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2025	Revenue	2,543.52	2,426.50	117.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2025	Revenue	2,633.49	2,633.49	(0.00)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2026	Revenue	4,977.61	4,977.60	0.01	The difference is mainly due to reporting to banks are prior to quarterly closure of books

Year ended March 31, 2025

Quarter ending	Particulars of securities provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
June 30,2024	Inventory	1,645.61	965.20	680.41	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2024	Inventory	706.03	706.00	0.03	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2024	Inventory	805.34	805.30	0.04	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2025	Inventory	678.09	692.60	(14.51)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2024	Trade receivables	6,095.30	7,207.20	(1,111.90)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2024	Trade receivables	4,428.02	4,428.00	0.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2024	Trade receivables	3,942.60	3,942.60	(0.00)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2025	Trade receivables	3,308.86	3,263.60	45.26	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2024	Trade payable	5,475.98	5,475.20	0.78	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2024	Trade payable	2,560.32	2,522.30	38.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2024	Trade payable	1,949.55	1,949.50	0.05	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2025	Trade payable	1,879.02	1,879.10	(0.08)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2024	Revenue	1,932.72	1,933.90	(1.18)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2024	Revenue	2,743.44	2,761.40	(17.96)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2024	Revenue	702.47	705.60	(3.13)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2025	Revenue	983.89	947.00	36.89	The difference is mainly due to reporting to banks are prior to quarterly closure of books



Lineage Power Private Limited
CIN:U45207KA2010PTC054269

Notes forming part of the financial statements for year ended March 31, 2026
(Amounts are ₹ in million, unless otherwise stated)

47 Segment information

As per Ind AS 108 - Operating Segments, operating segments are defined as components of an entity for which discrete financial information is available and which are regularly reviewed by the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and performance assessment.

The Company is a subsidiary of Pace Digitek limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited), which prepares consolidated financial statements in accordance with Ind AS. The CODM for the Group is at the holding company level, where the operating results and segment performance of all group entities are evaluated on a consolidated basis. Accordingly, segment disclosures in accordance with Ind AS 108 are presented in the consolidated financial statements of the holding company. However, the Company primarily operates in three key business segments: Telecom, Energy, and Power.

48 Data backup

The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and a back-up is maintained in servers situated in India and the Company and its officers have full access to the data in the servers.

49 Audit Trail

The Company has maintained its books of account using accounting software that did not have the functionality to record an audit trail (edit log) for all relevant transactions throughout the year. However, Audit trail feature in the said software along with the preservation of the same was not active during the year.

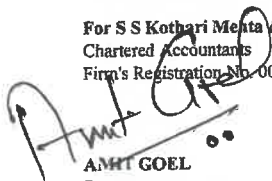
50 Subsequent event

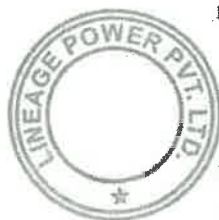
The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the issuance of the financial statements to determine the necessity for recognition and/or reporting of any such events and transactions in the financial statements. As of May 25, 2026, there were no subsequent events to be recognized or reported in these financial statements.

Accompanying notes form an integral part of these financial statements

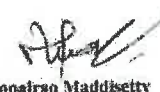
As per our report of even date attached

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm's Registration No. 000756N/NS00441


ANSHU GOEL
Partner
Membership No. 500607
Place: Bangalore
Date: May 25, 2026



For and on behalf of the Board
Lineage Power Private Limited


Venugopal Rao Maddisetty
Director
DIN-02070491
Place: Bangalore
Date: May 25, 2026


Maddisetty Padma
Director
DIN-02070662
Place: Bangalore
Date: May 25, 2026

Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

*(Amounts are ₹ in million unless otherwise stated)***1. Corporate information**

Lineage Power Private Limited ("the Company") is a public company domiciled in India and was incorporated on June 29, 2010 under the erstwhile Companies Act, 1956 with its registered office in Bengaluru, Karnataka. The Company is primarily engaged in the business of Infra Power Management, Green Energy and Telecom, Solar Energy Solutions, Hybrid Solutions and Remote Monitoring Solutions, related operation and maintenance and product services infrastructure such as Urban Infrastructure, Power and Power Transmission.

The Company is subsidiary of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited).

1.1. Statement of compliance and basis of preparation of financial statements**a. Statement of Compliance**

The financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statements.

Accordingly, the Company has prepared these financial statements which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "financial statements").

These financial statements were approved for issue by the Board of Directors on May 25, 2026.

b. Basis of Preparation and Presentation

The financial statements of the Company have been prepared on going concern, accrual and historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Defined benefit plans-plan assets measured at fair value.
- Certain financial assets and liabilities measured at fair value
- Other financial assets and liabilities at amortised cost

The Company has prepared the financial statement on the basis that it will continue to operate as a going concern. These financial statements are presented in INR, and all values are rounded to the nearest million, except when otherwise stated.

c. Current versus Non-Current classification

The Company presents assets and liabilities in the balance sheet based on current/ non- current classification. An asset is treated as current when it is:

- Expected to be realised or intended to be sold or consumed in a normal operating cycle - Held primarily for the purpose of trading
- Expected to be realised within twelve months after the reporting period, or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in a normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

2. Material accounting policies

The material accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these Standalone financial statements, unless otherwise indicated.

2.1. Property, plant and equipment

Land and buildings held for use in the production or supply of goods or services, or for administrative purposes, are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses if any. Freehold land is not depreciated.

All other items of property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, if any. Capital work in progress is stated at cost, net of accumulated impairment loss, if any. The cost comprises of purchase price, taxes, duties, freight and other incidental expenses directly attributable and related to acquisition and installation of the concerned assets and are further adjusted by the amount of input tax credit availed wherever applicable.

Such cost includes the cost of replacing part of the plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of the respective asset if the recognition criteria for a provision are met. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

An item of property, plant and equipment and any significant part initially recognised is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement when the asset is derecognised.

Cost of property, plant and equipment under installation/ under development as at the balance sheet date. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Depreciation is calculated on a written down value basis over the estimated useful life of the assets which is in line with the useful life prescribed under Part C of Schedule II of the Companies Act, 2013. The useful life of the assets are given below:

Particular	Useful life
Building	60 years
Plant & machinery	15 years
Computer	3-6 years
Motor vehicles	8 years
Furniture and fixtures	10 years
Office equipment	5 years

2.2 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles,



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

excluding capitalised development cost, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit or loss unless such expenditure forms part of carrying value of another asset.

Intangible assets are amortised on a straight line basis over their estimated useful life as under:

Assets	Useful Life
Software (Bought out)	3 year

2.3 Impairment of non- financial assets

As at the end of each financial year, the carrying amounts of PPE, investment property and intangible assets are reviewed to determine whether there is any indication that those assets have suffered an impairment loss. If such indication exists, the PPE, investment property and intangible assets are tested for impairment so as to determine the impairment loss, if any, intangible assets not available for use are tested for impairment each year.

Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount. Recoverable amount is determined:

- (i) in the case of an individual asset, at the higher of fair value less costs of disposal and the value-in-use; and
- (ii) in the case of a cash generating unit (the smallest identifiable Company of assets that generates independent cash flows), at the higher of the cash generating unit's fair value less costs of disposal and the value-in-use.

(The amount of value-in-use is determined as the present value of estimated future cash flows from the continuing use of an asset, which may vary based on the future performance of the entity and from its disposal at the end of its useful life. For this purpose, the discount rate (post-tax) is determined based on the weighted average cost of capital of the company suitably adjusted for risks specified to the estimated cash flows of the asset).

If recoverable amount of an asset (or cash generating unit) is estimated to be less than its carrying amount, such deficit is recognised immediately in the Statement of Profit and Loss as impairment loss and the carrying amount of the asset (or cash generating unit) is reduced to its recoverable amount. For this purpose, the impairment loss recognised in respect of a cash generating unit is allocated first to reduce the carrying amount of any goodwill allocated to such cash generating unit and then to reduce the carrying amount of the other assets of the cash generating unit on a pro-rata basis.

When an impairment loss recognised earlier is subject to full or partial reversal, the carrying amount of the asset (or cash generating unit), except impairment loss allocated to goodwill, is increased to the revised estimate of its recoverable amount, so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss is recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss (other than impairment loss allocated to goodwill) is recognised immediately in the Statement of Profit and Loss.

2.4 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

*(Amounts are ₹ in million unless otherwise stated)***Initial recognition and measurement****(i) Financial Assets**

Financial assets and/or financial liabilities are recognised when the Company becomes party to a contract embodying the related financial instruments. All financial assets, financial liabilities and financial guarantee contracts are initially measured at fair value except for trade receivables not containing a significant financing component are initially measured at transaction price. Transaction costs that are attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from, as the case may be, the fair value of such financial assets or liabilities on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognized in profit or loss.

A financial asset and a financial liability is offset and presented on net basis in the balance sheet when there is a current legally enforceable right to set-off the recognized amounts and it is intended to either settle on net basis or to realize the asset and settle the liability simultaneously.

Subsequent measurement

For purposes of subsequent measurement financial assets are classified in following categories:

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with recycling of cumulative gains and losses (debt instruments)
- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

Financial assets at amortised cost (debt instruments)

A financial asset is subsequently measured at amortised cost, if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at fair value through other comprehensive income – equity

The Company measures all its equity investments except for investment in subsidiaries and associates, at fair value. Where the Company's management has opted to present fair value gain and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to the profit and loss. Dividend income from such investments is recognized in the statement of profit and loss as other income when the Company's right to receive payments is established.

Financial assets at fair value through other comprehensive income – debt

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- b) The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

Financial assets at fair value through the statement of profit and loss

A financial asset which is not classified in any of the above categories, are subsequently fair valued through the statement of profit and loss.



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

*(Amounts are ₹ in million unless otherwise stated)***De-recognition**

A financial asset is primarily derecognized when:

1. the right to receive cash flows from the asset has expired, or
2. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the Company has transferred substantially all the risks and rewards of the asset, or b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss

Impairment of financial assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at FVTPL.

Expected credit losses are measured through a loss allowance at an amount equal to:

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Outstanding customer receivables are regularly monitored. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical data and ageing of accounts receivable. The Company creates allowance for unsecured receivables based on historical credit loss experience, industry practice and business environment in which the entity operates and is adjusted for forward looking information. Subsequently when the Company is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

(ii) Financial liabilities:

All financial liabilities are recognized initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs. The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts .

Subsequent measurement

For purposes of subsequent measurement, financial liabilities are classified in two categories:

- (i) Financial liabilities at fair value through statement of profit and loss
- (ii) Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at amortised cost (Loans and borrowings)

After initial recognition, interest-bearing borrowings are subsequently measured at amortised cost using the Effective interest rate method. Gains and losses are recognised in statement of profit and loss when the liabilities are derecognised as well as through the Effective interest rate amortisation process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the Effective interest rate. The Effective interest rate amortisation is included as finance costs in the statement of profit and loss.

Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually payable basis varying trade term. Trade and other payables are presented as



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using Effective interest rate method.

Financial guarantee contracts

Financial guarantee contracts issued by the Company, are those contracts that require a payment to be made to reimburse the holder for a loss if incurred because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. If material, financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization

Derecognition

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

Offsetting of financial instruments

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

2.5 Inventories**a) Basis of valuation:**

Inventories are valued at lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item-by-item basis.

b) Method of Valuation:

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

i) Cost of raw materials has been determined by using First in first out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on First in first out method

iii) Cost of traded goods has been determined by using First in first out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.

iv) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.

v) Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

*(Amounts are ₹ in million unless otherwise stated)***2.6 Taxes on Income**

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances. The computation reflects the effect of uncertainty for each item of allowance and disallowance as appropriate either by

- i. expected value method which sums the probability-weighted amounts in a range of possible outcomes or
- ii. the most likely amount in a range of possible outcomes

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the Company's financial statements and the corresponding tax bases used in computation of taxable profit and quantified using the tax rates as per laws enacted or substantively enacted as on the Balance Sheet date

Deferred tax liabilities are generally recognised for all taxable temporary differences including the temporary differences associated with investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all taxable temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

The Company has applied mandatory exception of recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes as required by Ind AS 12 (as amended).

Transaction or event which is recognised outside profit or loss, either in other comprehensive income or in equity, is recorded along with the tax as applicable.

2.7 Revenue from contract with customers

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amount collected on behalf of third parties and net of estimated liquidated damages. The Company has generally concluded that it is the principal in its revenue arrangements, because it typically controls the goods or services before transferring them to the customer. A receivable is recognised when the control of the product is transferred as the consideration is unconditional and payment becomes due upon passage of time as per the terms of contract with customers. The Company collects GST or other indirect taxes, if any on behalf of the government and, therefore, it is not an economic benefit flowing to the Company. Hence, it is excluded from revenue.

The Company derives revenues primarily from sale of power infra items, and construction/project related activity, engineering, procurement and construction (EPC) and operation and maintenance of telecommunication towers.

Revenue from sales of products

Revenue from sale of products is recognised at the point in time when control of the goods is transferred to the customer, generally on delivery of the goods and there are no unfulfilled obligations. The Company considers, whether there are other promises in the contract in which there are separate performance obligations, to which a portion of the transaction price needs to be allocated. In determining the transaction price for the sale of product, the Company considers the effects of variable consideration, the existence of significant financing components, non-cash consideration, and consideration payable to the customer, if any.



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

*(Amounts are ₹ in million unless otherwise stated)***Revenue from sales of services**

The Company recognises revenue from sales of services over time, because the customer simultaneously receives and consumes the benefits provided by the Company. Revenue from services-related activities is recognised as and when services are rendered and on the basis of contractual terms with the parties.

Warranty obligations

The Company generally provides for warranties for general repair of defects that existed at the time of sale. These warranties are assurance-type warranties under Ind AS 115, which are accounted for under Ind AS 37 (Provisions, Contingent Liabilities and Contingent Assets).

Significant Financing Components

In respect of short-term advances from its customers, using the practical expedient in Ind AS 115, the Company is not required to adjust the promised amount of consideration for the effects of a significant financing component because it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be within normal operating cycle.

Revenue from construction/project related activity

Performance obligations with reference to construction/project related activity are satisfied over the period of time, and accordingly, revenue from such contracts is recognized based on progress of performance determined using input method with reference to the cost incurred on contract and their estimated total costs. Margin is not recognised until the outcome of the contract is certain. Transaction price is the amount of consideration to which the Company expects to be entitled in exchange for transferring goods or services to a customer excluding amounts collected on behalf of a third party. Revenue, measured at transaction price, is adjusted towards liquidated damages, time value of money and price variations, escalation, change in scope etc. wherever, applicable. Variation in contract work and other claims are included to the extent that the amount can be measured reliably, and it is agreed with customer.

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is subject to many variables and requires significant judgement. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue from operation and maintenance

Revenue from operation & maintenance is recognized as the proportion of the total period of services contract that has elapsed at the end of the reporting period.

For contracts where the aggregate of contract cost incurred to date plus recognized profits (or minus recognized losses as the case may be) exceeds the progress billing, the surplus is shown as contract asset and termed as "Unbilled revenue". For contracts where progress billing exceeds the aggregate of contract costs incurred to-date plus recognized profits (or minus recognized losses, as the case may be), the surplus is shown as contract liability and termed as "Excess of billing over revenue". Amounts received before the related work is performed are disclosed in the Balance Sheet as contract liability and termed as "Advances from customer". The amounts billed on the customer for work performed and are unconditionally due for payment i.e. only passage of time is required before payment falls due, are disclosed in the balance sheet as trade receivables. The amount of retention money held by the customers pending completion of performance milestone is disclosed as part of contract asset and is reclassified as trade receivables when it becomes due for payment.

Contract balances**- Contract assets**

Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

A contract asset is the right to consideration in exchange for goods or services transferred to a customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

- Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer or has raised the invoice in advance. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

Trade receivables

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

2.8 Other Income

Interest Income from bank deposits and loan

Interest income is accrued on a time proportion basis by reference to the principal outstanding and the effective interest rate.

Other items of income are accounted as and when the right to receive arises and it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably.

2.9 Retirement and other employee benefits**Short-term obligations**

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within twelve months after the end of the period in which the employees render the related service are recognized in respect of employee service upto the end of the reporting period and are measured at the amount expected to be paid at undiscounted value when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Defined benefit plan - Gratuity

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan') covering eligible employees in accordance with the Payment of Gratuity Act, 1972.

The liabilities with respect to defined benefit plan are determined by actuarial valuation on projected unit credit method on the balance sheet date, based upon which the Company contributes to the defined benefit scheme. The difference, if any, between the actuarial valuation of the defined benefit scheme of employees at the year end and the balance of funds is provided for as assets/ (liability) in the books. Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation under Employee benefit expense in statement of profit and loss:

- i) Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements
- ii) Net interest expense or income Remeasurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

Defined contribution plan - Provident fund, employee state insurance and other defined contribution plan

Retirement benefit in the form of provident funds, employee state insurance and other defined contribution plan is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the these funds. The Company recognises contribution payable through these scheme as an expense, when an employee renders the related services. If the contribution payable to scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognized as liability after deducting the contribution already paid.

If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognized as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund.

Other employee benefit - Compensated absence Liability in respect of compensated absences becoming due or expected to be availed after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

Actuarial gains and losses arising from past experience and changes in actuarial assumptions are charged to statement of profit and loss in the year in which such gains or losses are determined. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

2.10 Leases

Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The Company recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets. For these short-term and low value leases, the Company recognises the lease payments as an operating expense on a straight-line basis over the term of the lease).

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

(ii) Lease Liabilities

At the commencement date of the lease, the Company recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees.

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Company and payments of penalties for terminating the lease, if the lease term reflects the Company exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Company uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

the lease term, a change in the lease payments (e.g., changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset. Lease payments are allocated between principal and finance cost. The finance cost is charged to statement of profit and loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The Company's lease liabilities are included in other current and non-current financial liabilities. Variable lease payments that depend on sales are recognised in statement of profit and loss in the period in which the condition that triggers those payments occurs.

(iii) Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low value assets recognition exemption to leases that are considered to be low value. Lease payments on short-term leases and leases of low-value assets are recognised as expense on a straight-line basis over the lease term.

(iv) Company as a lessor

Leases for which the Company is a lessor is classified as finance or operating lease. Leases in which the Company does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned.

2.11 Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period 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 such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effect of all potentially dilutive equity shares.

2.12 Borrowing Costs

Borrowing costs includes interest and other costs incurred in connection with the borrowing of funds and charged to Statement of profit and loss on the basis of effective interest rate (EIR) method. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing cost. Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale (i.e. qualifying assets) are capitalised as part of the cost of the respective asset. All other borrowing costs are recognised as expense in the period in which they occur.

2.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, that are readily convertible to a known amount of cash and subject to an insignificant risk of changes in value. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposit held at call with financial institutions, other short - term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts.

2.14 Provisions, contingent liabilities and contingent assets**Provisions**

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

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

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases, where there is a liability that cannot be recognised because it cannot be measured reliably. the Company does not recognise a contingent liability but discloses its existence in the standalone financial statements unless the probability of outflow of resources is remote.

Contingent assets

A contingent asset is not recognized unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the Ind AS financial statements.

2.15 Foreign currency translation**(i) Foreign currency transactions and translations**

The financial statements of the Company are presented in Indian Rupee ("Rs."), which is the functional currency of the Company and the presentation currency for the financial statements.

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

Exchange differences arising on the re-translation or settlement of other monetary items are included in the statement of profit and loss for the period.

2.16 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date. Fair value is the price that would be received to sell an asset or paid to transfer liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- (i) In the principal market for asset or liability, or
- (ii) In the absence of a principal market, in the most advantageous market for the asset or liability. The principal or the most advantageous market must be accessible by the Company. The fair value of an asset or liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non- financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1- Quoted(unadjusted) market prices in active markets for identical assets or liabilities



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

Level 2- Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3- Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognized in the standalone financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization (based on the lowest level input that is significant to fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

2.17 Service Concession arrangements

Service Concession arrangements are based on the nature of consideration and arising from the power generation business.

Revenue

The Company recognises revenue when services are provided to the customer at transaction price that reflects the consideration to which the Company expects to receive in exchange for those services. Revenue from power generation business is accounted on the basis of billings to the power off takers and includes unbilled revenue accrued up to the end of accounting year. Power off takers are billed as per tariff rate, agreed in purchase power agreement. Operating or service revenue is recognised in the period in which services are rendered by the Company.

Intangible assets

The Company recognises an intangible asset arising from a service concession arrangement when it has right to charge for usage of the concession infrastructure. An intangible asset received as consideration for providing construction services in service concession arrangement is measured at cost, less accumulated amortisation, and accumulated impairment losses, if any. Internal technical team or user assess the useful lives of intangible asset. Management believes that assigned useful lives of 25 years of service concession arrangement projects are reasonable.

Determination of fair value

The fair value of intangible assets is determined by contract price paid for construction of service concession arrangement.

2.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

The Board of directors of the Company has been identified as the Chief Operating Decision Maker which reviews and assesses the financial performance and makes the strategic decisions.

2.19 Key accounting judgments, estimates and assumptions

The preparation of the standalone financial statements requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these judgements, assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of the asset or liability affected in future periods.

a) Company as a lessee

The Company determines the lease term as the noncancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Company has several lease contracts that include extension and termination options. The Company applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

b) Company as a lessor

The Company has entered into commercial property leases on its investment property. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

c) Defined benefit plans

The cost of defined benefit plans and leave encashment is determined using actuarial valuations. An actuarial valuation involves making various assumptions which may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases.

Due to the complexity of the valuation, the underlying assumptions and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date. In determining the appropriate discount rate, management considers the interest rates of long term government bonds with extrapolated maturity corresponding to the expected duration of the defined benefit obligation.

The mortality rate is based on publicly available mortality tables for India. Future salary increases and pension increases are based on expected future inflation rates for India. Further details about the assumptions used, including a sensitivity analysis, are given in notes to the financial statement.

d) Impairment of financial assets

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

e) Impairment of non-financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An assets recoverable amount is the higher of an asset's CGU's fair value less cost of disposal and its value in use.

Where the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are estimated based on past trend and discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

f) Provision for warranty

Provisions for warranties is measured at discounted present value using pre-tax discount rate that reflects the current market assessments of the time value of money and the risks specific to the liability. Warranty provisions is determined based on the historical percentage of warranty expense to sales for the same types of goods for which the warranty is currently being determined. The same percentage to the sales is applied for the current accounting period to derive the warranty expense to be accrued. It is very unlikely that actual warranty claims will exactly match the historical warrant percentage, so such estimates are reviewed annually for any material changes in assumptions and likelihood of occurrence.



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

g) Property, Plant and Equipment, investment properties and intangible assets

Property, Plant and Equipment, investment property, and intangible assets represent significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The Company uses its technical expertise along with historical and industry trends for determining the economic useful life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised amount is charged over the remaining useful life of the assets.

2.18 Recent accounting pronouncements

The Ministry of Corporate Affairs (MCA) has notified the following amendments:

Amendments to Ind AS 21 - Lack of exchangeability

On 09 May 2025, Ministry of Corporate Affairs (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 April 01, 2025.

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non current Liabilities with Covenants

In August 2025, the MCA notified amendments to paragraphs 69 to 76 of Ind AS 1 to specify the requirements for classifying liabilities as current or non-current. The amendments clarify:

- a) What is meant by a right to defer settlement
- b) That a right to defer must exist at the end of the reporting period
- c) That classification is unaffected by the likelihood that an entity will exercise its deferral right
- d) That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

In addition, a requirement has been introduced to require disclosure when a liability arising from a loan agreement is classified as non-current and the entity's right to defer settlement is contingent on compliance with future covenants within twelve months.

If there is a breach of a material covenant of a long term loan arrangement on or before the end of the reporting period, resulting in the liability becoming payable on demand as at the reporting date, and the lender agrees—after the reporting period but before the financial statements are approved for issue—not to demand repayment for at least 12 months as a consequence of the breach, this shall be treated as an adjusting event. Accordingly, the entity is not required to classify the liability as current.

The amendments are effective for annual reporting periods beginning on or after 1 April 2025 retrospectively in accordance with Ind AS 8.

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

2.16 Standards issued but not yet effective

The new and amended standards that are notified by the Ministry of Corporate Affairs (MCA), but not yet effective, up to the date of issuance of the Company's standalone financial statements are disclosed below: The Company will adopt these amendments to the standards, when they become effective.



Lineage Power Private Limited

CIN: U45207KA2010PTC054269

Notes to the financial statements for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

Amendments to Ind AS 1 - Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

- i) A breach of either material or immaterial covenant will trigger current classification of liability.
- ii) To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Company is currently assessing the impact the amendments will have on its standalone financial statements.

