

Independent Auditor's Report

To the Members of Pace Renewable Energies Private Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of **Pace Renewable Energies 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 income, 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), 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 Company has not paid/provided managerial remuneration during the year ended March 31, 2026. Hence, the provisions of section 197 read with Schedule V of the Act are not applicable to the Company for the year ended March 31, 2026;
 - 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. 42(a) to the financial statements.



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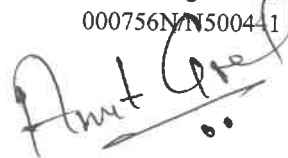
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
- iv. (a) The management has represented that, to the best of its knowledge and belief, as disclosed in note - 40(f) 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 - 40(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.

000756NN500441



AMIT GOEL

Partner

Membership No. 500607



Date: May 25, 2026

Place: Bangalore

UDIN: 26500607CDLWNT8909

Annexure A to the Independent Auditor's Report dated May 25, 2026 on the financial statements of Pace Renewable Energies 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.
- (a) (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 capitalized any intangible assets in the books of the Company. Accordingly, the requirement to report on clause 3(i)(a)(B) 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, property, plant and equipment have been physically verified during the year by the Management which, in our opinion, provides for physical verification at reasonable intervals. 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 title deeds of all the immovable properties disclosed in the financial statements are held in the name of 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 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 except inventory lying with third parties at reasonable intervals during the year. For inventory lying with third parties at the year-end, written confirmations have been obtained. 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) 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 sanctioned working capital limits in excess of five crore rupees, in aggregate, from banks or financial institutions on the basis of security of current assets. Accordingly, the requirement to report on clause 3(ii)(b) of the Order is not applicable to the Company.
- i. (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 not made any investment and provided advances in the



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nature of loans, stood guarantee or provided security to companies, firms, limited liability partnerships or any other parties except as mentioned below :-

Particulars	Guarantees (Rs. in million)
Aggregate amount granted/ provided during the year	
- Holding Company	454.30
- Fellow Subsidiary Company	-
Balance outstanding as at balance sheet date (including opening balance) in respect of above cases	
- Holding Company	7,070.00
- Fellow Subsidiary Company	1,200.00

(Read note no 35 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 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



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Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.

- (vi) According to the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Section 148 of the Act for the Company's activities. Hence, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- (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:

Name of the Statute	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	Income Tax	2.95	-	2019-20	Commissioner of Income tax (Appeals), Karnataka.
Central Goods and Services Tax Act, 2017	Central Goods and Services Tax	3.75	0.17	2017-18	JCCT (Appeal), Patna, Bihar.
Central Goods and Services Tax Act, 2017	Central Goods and Services Tax	1.21	0.06	2018-19	JCCT (Appeal), Patna, Bihar.
Central Goods and Services Tax Act, 2017	Central Goods and Services Tax	22.72	1.12	2019-20	Deputy Commissioner (Appeal), Pune, MH.
Central Goods and Services Tax Act, 2017	Central Goods and Services Tax	18.57	1.07	2021-22	Deputy Commissioner (Appeal), Pune, MH.

- (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 wilful 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, term loans were applied for the purpose for which the loans were obtained.
- (d) According to the information and explanations given to us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been 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. 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) The Company has complied with provisions of sections 42 and 62 of the Act in respect of the preferential allotment / private placement of shares fully or partially or optionally convertible debentures respectively during the year. In our opinion, the funds raised have been applied for the purposes for which they were raised, except for an amount of Rs. 727.75 million which remained unutilised as at March 31, 2026 and was temporarily invested in current account and fixed deposits with scheduled commercial banks pending utilisation.
- (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 and on the basis of our examination of records of the Company 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) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company does not have an internal audit system and is not required to have an internal audit system under the provisions of Section 138 of the Act. Therefore, the requirement to report under clause 3(xiv) of the Order is not applicable to the Company.
- (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 during the current year. However, the Company has incurred cash losses of Rs. 202.08 million during the immediate previous 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. 41 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) The requirements as stipulated by the provisions of Section 135 are not applicable to the Company for the current year covered in our audit. Accordingly, the requirement to report on clauses 3(xx)(a) and 3(xx)(b) of the Order are not applicable to the Company. Further, 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



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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 Act. The details are as follows:

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 0.20 million	Rs 0.21 million	-
2023-24	Rs.0.48 million	-	-
2022-23	Rs 1.18 million	-	-

(b) According to the information and explanations given to us, the Company has not undertaken any ongoing project during the year. Accordingly, the requirement to report on clause 3(xx)(b) of the Order is not applicable for the year.

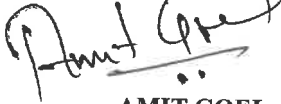
(xxi) The reporting under Clause 3(xxi) of the Order is not applicable in respect of audit of the standalone financial statements. Accordingly, no comment in respect of the said clause has been included in this report.

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/150044





AMIT GOEL

Partner

Membership No. 500607

Date: May 25, 2026

Place: Bangalore

UDIN: 26500607CDLWNT8909

Annexure B to the Independent Auditor's Report dated May 25, 2026 on the financial statements of Pace Renewable Energies 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 **Pace Renewable Energies 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 the financial statements included obtaining an understanding of such internal financial controls with reference to the 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 the 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.



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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.

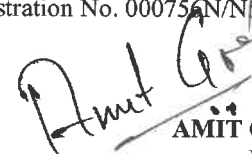
Opinion

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



Place: Bangalore

Date: May 25, 2026

UDIN: 26500607CDLWNT8909

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	10.84	11.61
(b) Financial assets			
(i) Finance lease receivables	9	5,315.04	-
(ii) Other financial assets	10, 1	-	0.04
(c) Other non-current assets	11	1.39	1.35
Total non-current assets		5,327.27	13.00
(2) Current assets			
(a) Inventories	4	2,587.56	-
(b) Financial assets			
(i) Trade receivables	5	5.56	11.75
(ii) Cash and cash equivalents	6	2,218.95	13.99
(iii) Bank balances other than (ii) above	7	1,055.11	58.11
(iv) Loans	8	-	551.24
(v) Finance lease receivables	9	253.42	-
(vi) Other financial assets	10	0.48	8.20
(c) Other current assets	11	3,108.60	3.77
(d) Current tax assets (net)	12	6.88	-
Total current assets		9,236.56	647.06
Total assets (1+2)		14,563.83	660.06
B. Equity and liabilities			
(1) Equity			
(a) Equity share capital	13	382.18	104.40
(b) Other equity	14	2,175.63	531.90
Total equity		2,557.81	636.30
(2) Liabilities			
I. Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	15	9,085.28	-
(b) Provision	16	0.34	0.22
(c) Deferred tax liabilities (net)	17	68.87	8.70
Total non-current liabilities		9,154.49	8.92
II. Current liabilities			
Financial liabilities			
(i) Borrowings	18	618.06	-
(ii) Trade payables	19	-	0.11
-Total outstanding dues of micro and small enterprises		-	2.14
-Total outstanding dues of creditors other than micro and small enterprises		1,761.84	-
(iii) Other financial liabilities	20	372.05	2.05
(b) Other current liabilities	21	99.53	0.01
(c) Provisions	16	0.05	0.03
(d) Current tax liabilities (net)	22	-	10.50
Total current liabilities		2,851.53	14.84
Total liabilities		12,006.02	23.76
Total equity and liabilities (1+2)		14,563.83	660.06

Material accounting policies

2

Accompanying notes form an integral part of these financial statements

As per our report of even date

For S S Kothari Mehta & Co. LLP
Chartered Accountants
Firm's Registration No. 000756N/N50044

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

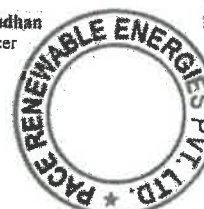


For and on behalf of the Board
Pace Renewable Energies Private Limited

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

Maddisetty Padma
Director
DIN-02070662
Place: Bangalore
Date: May 25, 2026
Meghana Parushotham
Managing Director
Company Secretary
Membership No. A42534
Place: Bangalore
Date: May 25, 2026

Panditaraj Rajavendhan
Chief Financial Officer
Place: Bangalore
Date: May 25, 2026



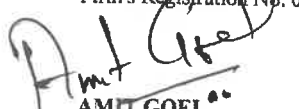
Pace Renewable Energies Private Limited
CIN- U29307KA2010PTC053077
Statement of profit & loss for the year ended March 31, 2026
(Amounts are ₹ in million unless otherwise stated)

Particulars	Note no	For the year ended March 31, 2026	For the year ended March 31, 2025
(I) Income :			
(a) Revenue from operations	23	5,578.30	0.78
(b) Other income	24	72.96	74.09
Total income (I)		5,651.26	74.87
(II) Expenses:			
(a) Cost of materials consumed	25	5,332.84	-
(b) Changes in inventories	26	(96.17)	-
(c) Employee benefit expense	27	1.11	1.10
(d) Finance costs	28	140.77	-
(e) Depreciation and amortisation expense	29	1.11	8.43
(f) Other expenses	30	38.63	257.16
Total expenses (II)		5,418.29	266.69
Profit/(Loss) before tax (I-II)=III		232.97	(191.83)
Tax expense:			
(a) Current tax	32	-	16.97
(b) Deferred tax charge/ (credit)		60.19	(65.21)
(c) Taxes relating to earlier years		1.21	1.71
Total tax expense (IV)		61.40	(46.53)
Profit/(Loss) after tax (III-IV)= V		171.57	(145.30)
Other comprehensive income/(loss):			
A. Items that will not be reclassified to profit or (loss) (VI)			
(i) Remeasurement of defined benefit plan gain/(loss)		(0.08)	-
(ii) Income tax relating to these items		0.02	-
Total other comprehensive income/(loss) for the year (net of tax)		(0.06)	-
VII Total comprehensive income/(loss) for the year (V+VI)=VII		171.51	(145.30)
VIII Earnings per share (Rs.) (face value of Rs. 10 per share):			
Basic (Rupee)	31	11.30	(13.92)
Diluted (Rupee)	31	11.30	(13.92)
Material accounting policies	2		

Accompanying notes form an integral part of these financial statements

As per our report of even date

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

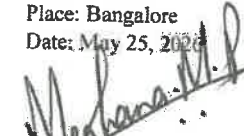


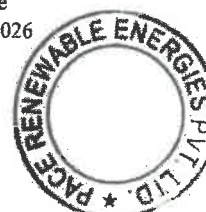
For and on behalf of the Board
Pace Renewable Energies Private Limited


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


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


Pandiurani Rajavendhan
Chief Financial Officer
Place: Bangalore
Date: May 25, 2026


Meghana Purushotham Manchaiah
Company Secretary
Membership No. A42534
Place: Bangalore
Date: May 25, 2026



Pace Renewable Energies Private Limited

CIN- U29307KA2010PTC053077

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	232.97	(191.83)
Adjustments for:		
Depreciation and amortisation expense	1.11	8.43
Interest expenses on corporate guarantee	8.58	-
Finance costs	132.19	-
Interest income on fixed deposits	(17.94)	(60.47)
Interest income on loan	(18.19)	-
Interest income on lease receivables	(36.83)	-
Liabilities no longer required written back	-	(2.78)
Balances written off	-	252.91
Net gain on sale of property, plant and equipment	-	(2.51)
Operating cash flow before changes in operating assets and liabilities	301.89	3.75
Movements in working capital:		
(Increase)/decrease in trade receivables	6.19	5.32
(Increase)/decrease in inventories	(2,587.56)	-
Decrease/ (increase) in other financial assets	(5,523.85)	(7.89)
(Increase)/decrease in other assets	(3,108.87)	(17.61)
(Increase)/decrease in provisions	0.07	0.02
(Decrease)/increase in trade payables	1,759.58	(1.91)
(Decrease)/increase in other financial liabilities	361.42	0.30
(Decrease)/increase in other liabilities	99.52	(5.75)
Cash generated from operations	(8,691.62)	(23.75)
Income taxes paid (net of refunds)	(18.61)	(11.33)
Net cash generated/(used in) from operating activities (A)	(8,710.22)	(35.08)
B. Cash flows from investing activities		
Proceeds from sale of property, plant and equipment	(0.33)	2.51
Investment in /proceeds from fixed deposits	(989.98)	42.83
Interest income received on fixed deposit	10.92	4.61
Loan given	-	(45.00)
Repayment of loan given	551.24	14.96
Interest income received on loan	18.19	20.62
Net cash (used in)/from investing activities (B)	(409.96)	40.53
C. Cash flows from financing activities		
Proceeds of long term borrowings	9,255.80	-
Proceeds/(repayment) of short term borrowings (net)	428.91	(0.50)
Proceeds from issue of equity shares including securities premium	1,750.00	-
Finance cost paid	(109.56)	-
Net cash generated from/ (used in) financing activity (C)	11,325.15	(0.50)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	2,204.96	4.96
Cash and cash equivalents at the end of year	13.99	9.03
	2,218.95	13.99
Components of cash and cash equivalents considered only for the purpose of cash flow statement		
(a) Balances with banks		
In current accounts	2,218.94	13.98
(b) Cash on hand	0.01	0.01
Total cash and cash equivalents (Refer note no. 6)	2,218.95	13.99



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 18.

Material accounting policies

Accompanying notes form an integral part of these financial statements

As per our report of even date

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/NS00441

AMIT GOEL

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026



For and on behalf of the Board

Pace Renewable Energies Private Limited

Venugopalrao Maddisetty

Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Maddisetty Padma

Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Panduraj Rajavendhan

Chief Financial Officer

Place: Bangalore

Date: May 25, 2026

Meghana Purushotham

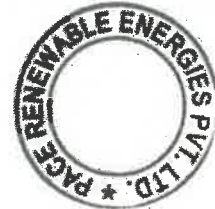
Manchaiah

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026



Pace Renewable Energies Private Limited

CIN- U29307KA2010PTC053077

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	13	1,04,40,000	104.40
Changes in equity share capital during the year			-
As at March 31, 2025		1,04,40,000	104.40
Changes in equity share capital during the year		2,77,77,777	277.78
As at March 31, 2026		3,82,17,777	382.18

(b) Other equity

Particulars	Reserves and surplus		Items of OCI	Total other equity
	Retained earnings	Securities premium	Remeasurement of defined benefit obligation	
Balance as at April 01, 2024	571.60	105.60	-	677.20
Addition during the year:				
Add: Profit/(loss) for the year	(145.30)	-	-	(145.30)
Balance as at March 31, 2025	426.30	105.60	-	531.90
Addition during the year:				
Add: Other comprehensive income/(loss) (net of tax)			(0.06)	(0.06)
Add: Profit for the year	171.57	-	-	171.57
Add: Premium on issue of equity shares	-	1,472.22	-	1,472.22
Balance as at March 31, 2026	597.87	1,577.82	(0.06)	2,175.63

Material accounting policies

Accompanying notes form an integral part of these financial statements

As per our report of even date

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N50044

AMIT GOEL

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026



For and on behalf of the Board

Pace Renewable Energies Private Limited

Venugopalrao Maddisetty

Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Maddisetty Padma

Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Pandidurai Rajavendhan

Chief Financial Officer

Place: Bangalore

Date: May 25, 2026

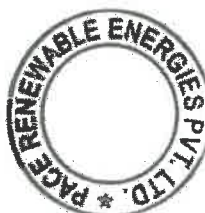
Meghana Purushotham Manchaiah

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026



Pace Renewable Energies Private Limited

CIN- U29307KA2010PTC053077

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

(Amounts are ₹ in million unless otherwise stated)

3 Property, plant and equipment ('PPE')

Particulars	Freehold land	Plant & machinery	Vehicles	Total
At cost				
Gross carrying value				
Balance as at April 01, 2024	8.07	14.18	8.67	30.92
Additions	-	-	-	-
Deletions	-	(14.18)	-	(14.18)
Balance as at March 31, 2025	8.07	-	8.67	16.74
Additions	-	-	0.33	0.33
Deletions	-	-	-	-
Balance as at March 31, 2026	8.07	-	9.00	17.07
Accumulated depreciation				
Balance as at April 01, 2024	-	9.47	1.42	10.89
Depreciation for the year	-	4.72	3.71	8.43
Disposals	-	(14.19)	-	(14.19)
Balance as at March 31, 2025	-	-	5.13	5.13
Depreciation for the year	-	-	1.11	1.11
Disposals	-	-	-	-
Balance as at March 31, 2026	-	-	6.23	6.23
Net book value				
Balance as at March 31, 2025	8.07	-	3.54	11.61
Balance as at March 31, 2026	8.07	-	2.77	10.84

Note:

a) The title deeds of all the immovable properties included in property, plant and equipment, are held in the name of the Company as at the balance sheet dates.



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

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials and components	2,491.39	-
Work-in-progress	96.17	-
Total	2,587.56	-

Note: Inventory lying with the fellow subsidiary amounting to 1,671.44 million (Previous year: Nil) and with clearing and forwarding agents (CHA) of Rs.819.95 million and (Previous year: Nil). These inventories are under the control of customs authorities and are released upon fulfillment of applicable regulations and payment of duties, where applicable.

5 Trade receivables

(a) Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured unless otherwise stated)		
Trade receivables considered good - Unsecured	5.56	11.75
Trade receivable-credit impaired	-	-
Total trade receivables	5.56	11.75
Less: Loss allowance	-	-
Net trade receivables	5.56	11.75
Of the above, trade receivables from related parties are as below *		
Trade receivables due from related parties (Refer note 35)	-	11.75
Net trade receivables	-	11.75

Note:

- *Refer note 35 for information about receivables from Related party.
- Trade receivables are non-interest bearing and due after 0 to 90 days from the due date.
- Refer note 37 for information about credit risk and market risk of trade receivables.

(b) Trade receivables ageing schedules

As at March 31, 2026

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed trade receivables- considered good	-	4.29	1.26	-	-	-	-	5.56
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	-	-	-	-	-	-	-	-
Total	-	4.29	1.26	-	-	-	-	5.56
Less : credit impaired	-	-	-	-	-	-	-	-
Total	-	4.29	1.26	-	-	-	-	5.56



As at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following periods from due date of payment					Total
			Less than 6 Months	6 Months - 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Undisputed trade receivables- considered good	-	-		11.75		-	-	11.75
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	-	-	-	-	-	-	-	-
Total	-	-	-	11.75	-	-	-	11.75
Less : credit impaired	-	-	-	-	-	-	-	-
Total	-	-	-	11.75	-	-	-	11.75

6 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- On Current accounts*	2,218.94	13.98
Cash on hand	0.01	0.01
Total	2,218.95	13.99

* It includes amount received from Holding Company out of proceeds from the Initial Public Offer (IPO) of Rs. 727.75 million (March 31, 2025: Nil) which will be utilised for the purpose as stated in the prospectus issued by Holding Company.

7 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.*	1,055.11	58.11
Total	1,055.11	58.11

*The above deposit includes Rs 1055.11 million as at March 31,2026 (Rs.58.11 million as at March 31,2025) are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments.

8 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good, unless otherwise stated		
Current		
Loan to related parties* (Refer note no. 35)	-	551.24
Total	-	551.24

*It includes interest accrued of Nil as at March 31,2026 (Rs. 56.63 million as at March 31,2025)



Disclosure required under section 186(4) of the Companies Act, 2013

Name of the Entity	Relationship	Purpose of loan	Terms (Rate of Interest, Tenure, Repayment)	As at March 31, 2026			As at March 31, 2025		
				Loan given	Outstanding amount	Maximum outstanding during 2025-26	Loan given	Outstanding amount	Maximum outstanding during 2024-25
Pace Digitek limited (formerly known as Pace Digitek Private limited and Pace Digitek Infra Private limited)	Holding Company	For its business purposes only	Rate of Interest: 12% Tenure: Repayable on demand Repayment: During the year, the entire outstanding amount was recovered from the Holding Company.	-	-		45.00	551.24	551.24
				-	-	-	45.00	551.24	551.24

9 Finance lease receivable - at amortised cost

Particulars	As at March 31, 2026	As at March 31, 2025
Non-current		
Finance lease receivable (Refer note 33)	5,315.04	-
Total	5,315.04	-
Current		
Finance lease receivable (Refer note 33)	253.42	-
Total	253.42	-

10 Other financial assets-current

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good, unless otherwise stated		
Security deposit	0.48	0.39
Interest receivable on corporate guarantee (Refer note 35) *	-	7.82
Total	0.48	8.20

* It includes balance from related party of Nil as at March 31, 2026 (7.82 million as at March 31, 2025) and refer note 35.

10.1 Other financial assets- non current

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Bank deposit with maturity for more than 12 months from the reporting date	-	0.04
Total	-	0.04

11 Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Other non current asset		
Balance with government authorities	1.39	1.35
Total	1.39	1.35
Other current asset		
Balance with government authorities	908.59	2.62
Advance to employees	0.86	0.98
Prepaid expenses	179.35	-
Advance to supplier		
To related party (Refer note 35)	1,500.49	-
To others	519.31	0.17
Total	3,108.60	3.77



12 Current tax assets (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets (Net of provision of tax)	6.88	-
Total	6.88	-

13 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	61,000,000	610.00	15,000,000	150.00
	61,000,000	610.00	15,000,000	150.00
Issued, subscribed and fully paid:				
Equity shares of Rs 10 each	38,217,777	382.18	10,440,000	104.40
	38,217,777	382.18	10,440,000	104.40

Note:

(a) Reconciliation of the number of 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	10,440,000	104.40	10,440,000	104.40
Movement during the year				
Add: Equity shares issued during the year	27,777,777	277.78	-	-
At the end of the year	38,217,777	382.18	10,440,000	104.40

(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 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.

Rights issue of equity shares

During the year, the Company had approved issue of 2,77,77,777 right equity shares into two tranches of face value of Rs. 10 each (the "Rights Equity Shares") at a price of Rs. 63 per rights equity share (including premium of Rs. 53 per rights equity share), pursuant to the approval of shareholders granted in the Board meeting held on December 25, 2025 and March 18, 2026. The allotment was made based on the record date of December 25, 2025 and March 18, 2026.

In accordance with the terms of issue, the Company received Rs. 1750.00 million on application at Rs. 63.00 per rights equity share (including a premium of Rs. 53.00 per share).

(c) Details of shareholders holding more than 5% 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)	38,217,777	100.00%	9,800,000	93.87%

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

Particulars	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% of holding	% of change	Number of shares	% of holding	% of change
Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	38,217,777	100.00%	74.36%	9,800,000	93.87%	0%
Maddisetty Padma	-	0.00%	100.00%	270,000	2.59%	0%
Venugopal Rao Maddisetty	-	0.00%	100.00%	270,000	2.59%	0%
Rajiv Maddisetty	-	0.00%	100.00%	100,000	0.96%	0%
Total	38,217,777	100.00%	72.68%	10,440,000	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 the register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownership of shares.



14 Other equity

Particulars		As at March 31, 2026	As at March 31, 2025
Retained earnings	(i)	597.87	426.30
Other comprehensive income	(ii)	(0.06)	-
Securities premium	(iii)	1,577.82	105.60
Total other equity		2,175.63	531.90
(i) Retained earnings			
Opening balance		426.30	571.60
Add: profit/(loss) for the year		171.57	(145.30)
Closing Balance		597.87	426.30
(ii) Other comprehensive income			
Opening balance		-	-
Add: Addition during the year		(0.06)	-
Closing Balance		(0.06)	-
(iii) Securities premium			
Opening balance		105.60	105.60
Add: Addition during the year		1,472.22	-
Closing Balance		1,577.82	105.60
Total (i+ii+iii)		2,175.63	531.90

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.

Other comprehensive income

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

Securities premium

The securities premium is used to record the premium received on the issue of shares. This reserve can be utilized only for limited purposes, such as the issuance of bonus shares, in accordance with the provisions of the Companies Act, 2013.

15 Borrowings (Non current)

Particulars	As at March 31, 2026	As at March 31, 2025
Secured (carried at amortised cost)		
Term loan		
from financial institutions	5,935.28	-
	5,935.28	-
Unsecured		
Debentures		
Optionally convertible debentures	3,150.00	-
	3,150.00	-
Total	9,085.28	-

Secured loans are covered as follows :

Particulars	As at March 31, 2026	As at March 31, 2025
A. Term loan from financial institution		
1) Indian Renewable Energy Development Agency Limited (Term Loan)	6,104.88	
Less: Current maturities disclosed as short-term borrowings	(169.60)	
	5,935.28	-

Floating Rate of Interest: 9.90% p.a

Repayment: 36 EMI quarterly payment starting from FY 2027-28.



Note:**Nature of borrowing and security details :**

(a) The Company has availed term loan facilities from Indian Renewable Energy Development Agency Limited (IREDA) for financing its Battery Energy Storage System (BESS) Project in Maharashtra, awarded by MSEDCL i.e sanctioned limit of Rs. 12,215.00 million, outstanding balance as at March 31, 2026 : Rs. 5,935.28 million (March 31, 2025 : Nil).

(b) This loan is secured by a first-ranking charge over the project assets, project receivables and other security interests created in respect of the project. The facility is additionally supported by a corporate guarantee provided by Holding Company "Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)" and personal guarantees provided by Mr. Venugopal Rao Maddisetty, Mrs. Padma Maddisetty and Mr. Rajiv Maddisetty. The guarantees are irrevocable and unconditional in nature.

B.Optionally convertible debentures (unsecured)**1)Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

Less: Current maturities disclosed as short-term borrowings

3,150.00

3,150.00**Terms of conversion of OCDs**

Entity	Tenure (years)	Maturity date	Number of debentures	Interest coupon rate	Conversion Terms
Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	12	On-demand after 1 year	3,15,00,000 of face value of Rs. 100 each	9.50%	The Optionally Convertible Debentures ("OCDs") issued by the Company have a tenure of 12 years from the date of allotment. The instruments are subject to a minimum non-convertible period of 1 (one) year from the date of issuance. Post completion of the minimum period, the OCDs may be converted, in whole or in part, into equity shares of the Company at the discretion of either the Investor or the Company, as per the agreed terms. The conversion shall be effected at a conversion ratio determined based on the fair market value of the Company's equity shares as at the date of conversion, as determined by an independent valuer or in accordance with applicable regulatory requirements.

16 Provisions

Particulars	As at March 31, 2026	As at March 31, 2025
Non current		
Gratuity (Refer note no. 39)	0.29	0.19
Compensated absences	0.05	0.03
Total provision	0.34	0.22
Current		
Gratuity (Refer note no. 39)	0.04	0.02
Compensated absences	0.01	0.01
Total provision	0.05	0.03

17 Deferred tax asset/liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax liabilities (net) (Refer note no 32)	68.87	8.70
Total	68.87	8.70

18 Current financial liabilities - borrowing

Particulars	As at March 31, 2026	As at March 31, 2025
(A)Secured (carried at amortised cost)		
From financial institution		
Current maturities of long term borrowings (Refer note no 15)	169.60	-
(B)Unsecured		
Loans from related parties (Refer note no 35)	448.46	-
	618.06	-

Notes:**i) Unsecured loan**

(a)The unsecured loans from Holding Company are repayable on demand and carries interest rate at 9.50 % p.a.



Change in liabilities arising from financing activities

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening balance	-	0.50
Cash flows:		
Proceeds/(repayment) of short term borrowings (net)	428.93	(0.50)
Proceeds of long term borrowings	9,255.80	-
Interest on borrowings paid	(109.58)	-
Non-cash changes:		
Interest expense	128.19	-
Closing balance	9,703.34	-

19 Trade payables

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Total outstanding dues of micro enterprises and small enterprises		0.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	1,761.84	2.14
	1,761.84	2.25

of the above trade payables amounts due to related parties are as below:

Trade payables due to related parties (Refer note 35)

571.42 1.20

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

(b) Disclosures relating to dues to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), to the extent information available with the Company.

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Principal amount remaining unpaid to any supplier as at the end of the year.	-	0.11
Interest due thereon remaining unpaid to any supplier as at the end of the year.	-	-
(b) Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year.	-	-
(c) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006)	-	-
(d) The amount of interest accrued and remaining unpaid at the end of the year.	-	-
(e) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006.	-	-

(c) Trade payables ageing schedules
As at March 31, 2026

Particulars	Unbilled	Not due	Outstanding for following period from due date 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	-	-	-	-	-	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	834.00	924.77	1.75	0.71	0.42	0.20	1,761.84
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	834.00	924.77	1.75	0.71	0.42	0.20	1,761.84



As at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following period from due date 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	-	0.11	-	-	-	-	0.11
Total outstanding dues of creditors other than micro enterprises and small enterprises	-	0.19	1.33	0.42	-	0.20	2.14
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	-	0.30	1.33	0.42	-	0.20	2.25

20 Other financial liabilities - current

Particulars	As at March 31, 2026	As at March 31, 2025
Carried at amortised cost		
Provision for unspent CSR (Refer Note 30b)	1.65	1.86
Employee related payables	0.20	0.19
Government Grants (Refer note 34)	275.40	-
Expense payables to related party (Refer note 35)	94.80	-
Total	372.05	2.05

Note:

Refer note 36 for information about liquidity risk and market risk of other financial liabilities.

21 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities*	21.13	0.01
Advance from customers #	78.40	-
Total	99.53	0.01

*It includes amounts related to statutory dues such as Income Tax, Goods and Services Tax (GST).

It includes balance from related party of Rs. 78.40 million as at March 31, 2026 (Nil as at March 31, 2025) and refer note 35.

22 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax	-	16.52
Less- advance tax and TDS	-	(6.02)
	-	10.50



23 Revenue from operations

A. Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Sale of products and services		
Sale of services	-	0.78
Sale of products		
Battery Energy Storage System	5,578.30	-
Total revenue from operations	5,578.30	0.78

B. 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	5,578.30	-
Satisfied over time	-	0.78
Revenue from contracts with customers	5,578.30	0.78

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	-	-
Add: Amount billed but not recognized as revenue (Refer note 34)	353.80	-
Less: On account of revenue recognized during the year	-	-
Balance at the end of the year	353.80	-

E. Contract balances

The following table provides information about receivables, contract assets and

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
-Receivables, which are included in 'trade receivables'	5.56	11.75
Contract assets (unbilled revenue)	-	-
Contract liabilities (unearned revenue)	353.80	-

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	8,540.50	0.78
Adjustments for:		
Less: Offset against material purchase*	(2,962.20)	-
Less: Liquidated damages	-	-
Total Revenue from contract with customers	5,578.30	0.78

*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. 2,962.20 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 one external customers during the current year, and from one external customer in the previous year, each of whom individually contributed 10% or more of the total revenue in the respective reporting periods.



24 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	17.94	3.84
Other non-operating income		
Interest income on corporate guarantee (Refer note 35)	-	7.82
Interest income on finance lease (Refer note 33)	36.83	-
Interest income on loan (Refer note 35)	18.19	56.63
Liabilities no longer required written back	-	2.78
Gain on sale of plant & machinery	-	2.51
Other gains/ (losses)		
Miscellaneous income	-	0.51
Total	72.96	74.09

25 Cost of materials consumed

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Opening stock	-	-
Add: Purchases during the year*	7,824.23	-
Less: Closing stock	2,491.39	-
Total	5,332.84	-

*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, The corresponding cost of goods amounting to March 31,2026: Rs. 2,962.20 million and March 31,2025: Nil have been netted off in the Statement of profit and loss.

26 Changes in inventories

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Work-in-progress inventories at the beginning of the year	-	-
Work-in-progress inventories at the end of the year	96.17	-
Total changes in inventories	(96.17)	-

27 Employee benefits expense

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Salaries, wages and bonus *	1.05	1.06
Contributions to provident and other funds	0.03	0.03
Gratuity expenses (Refer note no 39)	0.03	0.01
Staff welfare expenses	-	-
Total	1.11	1.10

* It includes amount to related party of nil as at March 31, 2026 (0.12 million for the year ended March 31, 2025) and refer note 35.

28 Finance costs

Particulars	For the year ended March 31,2026	For the year ended March 31,2025
Interest expenses on borrowing	128.19	-
Corporate guarantee expenses (Refer note 35) *	8.58	-
Other borrowing cost**	4.00	-
Total	140.77	-

* It includes balance from related party of Rs. 8.58 million as at March 31, 2026 (Nil as at March 31, 2025) and refer note 35.

** Other borrowings cost includes cost related to bank guarantee charges amounting Rs. 2.52 million, letter of charges amounting Rs. 1.33 million and payment related to other processing fees amounting to Rs. 0.15 million.

29 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)	1.11	8.43
Total	1.11	8.43



30 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rent expenses *	0.62	0.55
Bank charges	1.99	0.00
Freight outward	0.06	-
Insurance expenses	0.64	0.40
Rates & taxes	6.48	0.28
Repairs & maintenance	0.11	0.02
Travelling and conveyance	0.03	-
Legal and professional fees	2.56	0.83
Payment to auditor	2.45	0.70
Net foreign exchange rate fluctuation loss	14.45	-
Management support services	9.18	-
Provision for bad debt	-	1.27
Corporate social responsibility expenses {Refer note no 30(b)}	-	0.20
Balance written off	-	252.91
Miscellaneous expenses	0.06	0.00
Total	38.63	257.16

* It includes amount to related party of 0.35 million for the year ended March 31, 2026 (0.55 million for the year ended March 31, 2025) and refer note 35.

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

Statutory audit fee

2.45	0.70
2.45	0.70

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

As per provisions of Section 135 of the Companies Act, 2013, a Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). 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 (March 31, 2026 Nil, March 31, 2025 Rs. 0.20 million).

Amount voluntarily spent during the year on :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Gross amount required to be spent by the Company during the year as per Section 135 of companies Act, 2013.	-	0.20
b) Amount approved by the Board to be spent during the year	-	0.20
c) Amount spent during the year on:		
(i) Construction/acquisition of any assets	-	-
(ii) On purposes other than (i) above	0.21	0.20
(d) Total of previous year shortfall/(Surplus)	1.86	1.66
(e) Shortfall/(Surplus) at the end of the year	1.65	1.86
Amount recognised in statement of profit and loss	-	0.20
Total amount spent	0.21	0.20
Amount yet to be spent	1.65	1.86

Reason for shortfall	NA	NA
Nature of CSR activities	Contribution for Prime Minister's National Relief Fund	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	-	-	-	-	-	-	-
FY 2024-25	-	-	-	-	-	-	-

*During the year ended March 31, 2026, the Company incurred CSR expenditure of Rs. Nil (previous year: Nil) as no amount is required to be spent under Section 135(5) of the Companies Act, 2013.



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	1.86	-	-	0.21	-	1.65	-
FY 2024-25	1.66	-	0.20	0.20	-	1.86	-

**During the previous year, company had contributed for promoting education and for the current year, the company contributed to Prime Minister's National Relief Fund.

31 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)	171.57	(145.30)
Weighted average number of equity shares outstanding during the year for computing Basic EPS (B)	15,188,858	10,440,000
Weighted average number of equity shares in calculating diluted EPS (C)	15,188,858	10,440,000
Basic earnings per share (A/B) (Rs.)	11.30	(13.92)
Diluted earnings per share (A/C) (Rs.)	11.30	(13.92)



32 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	-	16.97
Taxes relating to earlier years	1.21	1.71
Deferred tax charge/(credit): other than that disclosed under OCI	60.19	(65.21)
Tax expenses for the year	61.40	(46.53)

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)	232.97	(191.83)
Enacted income tax rate (%)	25.17%	25.17%
Tax amount on enacted income tax rate in India	58.63	(48.28)
Tax effect of :		
Tax effect of amounts which are deductible (non-taxable) in calculating taxable income	-	0.05
Permanent Adjustments & Taxable revenue excluded from books due to dealer lessor accounting.	1.56	-
Adjustments in respect of current income tax of previous year	1.21	1.71
Income tax expenses recognised in the statement of profit and loss	61.40	(46.53)

C. 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:				
Impact of difference between written down value under the Income Tax Act and Companies Act.	(9.04)	(100.75)	-	(109.79)
Finance lease receivables	-	(72.72)	-	(72.72)
Deferred tax assets on				
Provision for doubtful debts	0.32	-	-	0.32
Provision for employee benefit	0.02	(0.01)	0.02	0.03
Business losses carry forward	-	113.29	-	113.29
Net deferred tax asset/(liability)	-8.70	-60.19	0.02	(68.87)

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:				
Impact of difference between written down value under the Income Tax Act and Companies Act.	(10.27)	1.23	-	(9.04)
Interest income on corporate guarantee	(63.65)	63.65	-	-
Deferred tax assets on				
Provision for doubtful debts	-	0.32	-	0.32
Provision for employee benefit	0.02	0.00	-	0.02
Net deferred tax asset/(liability)	(73.90)	65.21	-	(8.70)



33 Lease receivable

The Company has delivered certain project sites to its customer i.e. "Maharashtra State Electricity Distribution Company Limited" (MSEDCL) along with operations and maintenance of the same. This is accounted as finance lease as the material risks and rewards are transferred to the lessee

The average effective interest rate considered approximates 9.75% p.a.

The following amounts are recognised in the statement of profit and loss :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from sale of products	5,578.30	-
Total revenue from operation	5,578.30	-

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest income on finance lease	36.83	-
Interest income on finance lease	36.83	-

The following amounts are included in the balance sheet :

Particulars	As at March 31, 2026	As at March 31, 2025
Current finance lease receivables	253.42	-
Non-current finance lease receivables	5,315.04	-
Total lease receivables	5,568.47	-

The table below provides details regarding the undiscounted contractual maturities of finance lease receivables:

Particulars	As at March 31, 2026				
	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due beyond 5th year	Total contractual cash flow
Total undiscounted lease receivable	606.72	606.72	1,820.17	4,430.88	7,464.50
Unearned finance income	414.78	395.21	916.30	1,108.71	2,835.00
Net Investment in the lease	191.94	211.52	903.87	3,322.17	4,629.49

The table below provides details regarding the undiscounted contractual maturities of finance lease receivables:

Particulars	As at March 31, 2025				
	Due in 1st year	Due in 2nd year	Due in 3rd to 5th year	Due beyond 5th year	Total contractual cash flow
Total undiscounted lease receivable	-	-	-	-	-
Unearned finance income	-	-	-	-	-
Net Investment in the lease	-	-	-	-	-

*Finance lease receivable outstanding as on March 31, 2026 is from MSEDCL, which is considered recoverable.

34 Government grant

The Company has received Viability Gap Funding (VGF) from the Government towards the development of BESS project sites. To the extent the related performance obligations have been satisfied, the corresponding VGF has been recognised in accordance with applicable accounting standards. The unearned portion of VGF relating to unsatisfied performance obligations as at the reporting date is presented as a contract liability.

The table below gives information about movement in Government grant:

Movement of government grants :

Particulars	As at March 31, 2026	As at March 31, 2025
Opening balance	-	-
Add: Government grant accrued during the year	405.00	-
Less: Income recognised and accrued during the year	129.60	-
Closing balance of liability	275.40	-



35 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
Lineage Power 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

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)

Venugopal Rao	Managing Director
Maddisetty Padma	Director
Rajiv Maddisetty	Director
Panddurai Rajavendhan	Chief Financial Officer (w.e.f October 04,2025)
Meghana Purushotham Manchaiah	Company Secretary

Other entities over which key management personnel and their relatives are able to exercise significant influence:

Entity Name	Relationship
Pace Power Systems (Partnership firm)	Entities over which key management personnel and their relatives are able to exercise significant

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
Purchase		
Pace Digitek Limited	3,147.33	-
Lineage Power Private limited	988.22	-
Total	4,135.55	-
Interest income on loan		
Pace Digitek Limited	18.19	56.63
Total	18.19	56.63
Interest expenses on loan		
Pace Digitek Limited	22.36	-
Total	22.36	-
Interest expenses on corporate guarantee		
Pace Digitek Limited	8.58	-
Total	8.58	-
Rent expenses		
Pace Power Systems	0.35	0.55
Total	0.35	0.55
Loan given during the year		
Pace Digitek Limited	-	45.00
Total	-	45.00
Loan received during the year		
Pace Digitek Limited	428.93	-
Total	428.93	-
Loan repayment received		
Pace Digitek Limited	485.64	-
Total	485.64	-
Interest income on corporate guarantee		
Lineage Power Private limited	-	1.76
Pace Digitek Limited	-	6.06
Total	-	7.82



Payments made on behalf of us

Pace Digitek Limited

116.10 16.15

Total**116.10 16.15****Other expenses****Corporate guarantee expenses written off**

Lineage Power Private limited

- 30.66

Pace Digitek Limited

- 102.48

Pace Power System

- 119.76

Total**- 252.91****Other expenses****Management support services**

Pace Digitek Limited

9.18 -

Total**9.18 -****Remuneration to KMP**

Meghana Purushotham Manchaiah

- 0.12

Total**- 0.12****Optionally convertible debentures**

Pace Digitek Limited

3,150.00 -

Total**3,150.00 -****Right issue of equity shares (Includes security premium)**

Pace Digitek Limited

1,750.00 -

Total**1,750.00 -****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	March 31, 2025
Trade receivable		
Lineage Power Private Limited	-	11.75
Total	-	11.75
Trade payables		
Pace Digitek Limited	569.84	-
Pace Power System	1.58	1.20
Total	571.42	1.20
Advance to Supplier		
Pace Digitek Limited	1,500.49	-
Total	1,500.49	-
Loans Payable including interest accrued		
Pace Digitek Limited	448.46	-
Total	448.46	-
Other Current liability		
Advance received from customer		
Lineage Power Private Limited	78.40	-
Total	78.40	-
Other financial liabilities		
Amount payable to related party		
Pace Digitek Limited	94.80	-
Total	94.80	-
Other current financial assets		
Rental deposit		
Pace Power Systems	0.39	0.39
Total	0.39	0.39
Other financial asset		
Interest income on Corporate Guarantee receivable from related party		
Lineage Power Private limited	-	1.76
Pace Digitek Limited	-	6.06
Total	-	7.82
Loans including interest accrued		
Pace Digitek Limited	-	551.24
Total	-	551.24
Compensation to key management personnel:		
Short term employee benefits		
Meghana Purushotham Manchaiah	-	0.12
Total	-	0.12



Pace Renewable Energies Private Limited

CIN- U29307KA2010PTC053077

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

(Amounts are ₹ in million unless otherwise stated)

Optionally convertible debentures

Pace Digitek Limited

3,150.00

-

Total

3,150.00

-

Note:

i. Pace Digitek limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) has provided corporate guarantees on behalf of the Company to Indian Renewable Energies Development Agency Limited (IREDA) for the loan facilities extended by the lenders. Further, based on a valuation carried out by an independent valuer, corporate guarantee interest has been recognised.

The details 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	12,215.00	-

ii. The Company has provided joint corporate guarantees with Lineage Power 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) to Canara Bank for the various credit facilities extended by the lenders (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 is given below:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Closing balance of joint corporate guarantees provided		
Pace Digitek limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)	7,070.00	6,615.70

iii. The Company has provided joint corporate guarantees with Pace Digitek limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) and Pace Power System on behalf of the Lineage Power Private Limited to Canara Bank for the various credit facilities extended by the lenders (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 is given below:

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Lineage Power Private Limited	1,200.00	1,200.00

iv. Related parties and their relationships are identified by the management and relied upon by auditors. All transactions are conducted in the ordinary course of business and at arms length.

v. 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.



36 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 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 note 2 to 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				
Trade receivables	5.56	5.56	11.75	11.75
Cash & cash equivalents	2,218.95	2,218.95	13.99	13.99
Bank balances other than cash and cash equivalents	1,055.11	1,055.11	58.15	58.15
Loans	-	-	551.24	551.24
Finance lease receivables	5,568.46	5,568.46	-	-
Other financial assets	0.48	0.48	8.20	8.20
Total	8,848.55	8,848.55	643.34	643.34
Financial liabilities				
Borrowings	9,703.34	9,703.34	-	-
Trade payables	1,761.84	1,761.84	2.25	2.25
Other financial liabilities	372.05	372.05	2.05	2.05
Total	11,837.22	11,837.22	4.29	4.29

The management has assessed that trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, finance lease receivables, borrowings, trade payables, and other financial liabilities 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 and March 31, 2025 was assessed to be insignificant.

(ii) Long-term 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

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



37 Financial instrument- Financial risk management objectives and policies

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

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 period 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:

- 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 loss allowance provision**Trade receivables:**

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Balance at beginning of the year	-	-
Additional provisions recognised during the year	-	-
Provision reversed/utilised during the year	-	-
Balance at the end of the year	-	-



Expected credit loss under simplified approach for trade receivables:

Particulars	As at March 31, 2026	As at March 31, 2025
Ageing of gross carrying amount		
Unbilled revenue	-	-
Not due	4.29	-
less than 180 days	1.26	-
181-365 days	-	11.75
More than 1 year	-	-
Gross carrying amount	5.56	11.75
Expected credit loss	-	-
Net carrying amount	5.56	11.75

(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 settled by delivering cash or another financial assets. For the Company, liquidity risk arises from obligations on account of financial liabilities - trade payables and other financial liabilities.

The Company continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Company's finance department is responsible for liquidity and fund management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through forecasts on the basis of expected cash flows

Maturity profile of financial liabilities

The table below summarises the maturity profile of the company financial liabilities are as under:

Particulars	Carrying amount	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2026					
Borrowings	9,703.34	618.06	5,935.28	3,150.00	9,703.34
Trade payables	1,761.84	1,761.84	-	-	1,761.84
Other financial liabilities	372.05	372.05	-	-	372.05
As at March 31, 2025					
Borrowings	-	-	-	-	-
Trade payables	2.25	2.25	-	-	2.25
Other financial liabilities	2.05	2.05	-	-	2.05

Maturity profile of financial assets

The table below provides details regarding the undiscounted contractual maturities of finance lease receivables:

Particulars	Due in 1st year	Due in 2nd years	Due in 3rd to 5th years	More than 5 years	Total
As at March 31, 2026					
Total undiscounted lease receivables	606.72	606.72	1,820.17	4,430.88	7,464.50
Unearned finance income	414.78	395.21	916.30	1,108.71	2,835.00
Net Investment in lease	191.94	211.52	903.87	3,322.17	4,629.49
As at March 31, 2025					
Total undiscounted lease receivables	-	-	-	-	-
Unearned finance income	-	-	-	-	-
Net Investment in lease	-	-	-	-	-

Finance lease receivable outstanding as on March 31, 2026 is from Maharashtra State Electricity Distribution Company Limited, which is considered recoverable and not credit impaired.



The following amounts are recognised in the statement of profit and loss :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from finance leases (refer note 23)	5,578.30	-
Finance income on the net investment in finance leases	36.83	-

The following amounts are included in the balance sheet :

Particulars	As at March 31, 2026	As at March 31, 2025
Current finance lease receivable (refer note 9)	253.42	-
Non-current finance lease receivables (refer note 9)	5,315.04	-
Total lease receivables	5,568.47	-

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 Company'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 returns.

(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 of future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. Financial instruments comprise of optionally-convertible debentures, loans from holding Company which are fixed interest bearing whereas term loans from banks/financial institution are at floating interest bearing. Remaining financial assets and liabilities are non-interest bearing.

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

Particulars	As at March 31, 2026	As at March 31, 2025
Floating interest rate borrowings	6,104.88	-
Fixed rate borrowings	3,598.46	-
Total	9,703.34	-

(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's profit before tax is affected through the impact on floating rate borrowings, as follows:

Particulars	Impact on profit before tax	
	As at March 31, 2026	As at March 31, 2025
Increase by 50 basis point	30.52	-
Decrease by 50 basis point	(30.52)	-

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

(c) 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's exposure to the risk of changes in exchange rates relates primarily to the company's operations with foreign vendors.

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

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

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Financial liabilities	894.14	-



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

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%	-	89.41	-	-
Depreciation in foreign currencies by 10%	-	(89.41)	-	-

38 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 and equity balance.

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. The Company reviews its Dividend policy from time to time.

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
Current borrowings	618.06	-
Non current borrowings	9,085.28	-
Less: Cash and cash equivalents including bank balances	(2,218.95)	(13.99)
Total debt (A)	7,484.38	(13.99)
Total equity (B)	2,557.81	636.30
Capital and net debt (C=A+B)	10,042.20	622.31
Gearing ratio (A / C)	74.53%	-2.25%



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.

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
Company contribution to provident fund	0.03	0.03
Total	0.03	0.03

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.

The following tables summaries the components of net benefit expense recognised in the statement of profit or loss and amounts recognised in the balance sheet for the respective 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

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	0.22	0.21
Current service cost	0.02	0.01
Interest cost	0.01	-
Actuarial loss / (gain) arising from:		
- demographic assumptions	-	-
- financial assumptions	(0.01)	-
- experience adjustment	0.09	-
Balance at the end of the year	0.33	0.22

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

Particulars	As at March 31, 2026	As at March 31, 2025
Present value of funded obligation	-	-
Fair value of plan assets	-	-
Present value of unfunded obligation	0.33	0.22
Net defined benefit liability / (asset)	0.33	0.22

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	0.02	0.01
Interest expense on defined benefit obligation	0.01	-
Expenses recognised in the statement of profit or loss	0.03	0.01



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	-	-
- financial assumptions	(0.01)	-
- experience adjustment	0.09	-
	0.08	-

v) Amounts recognised in the statement of profit or loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Cost recognised in P&L	0.03	0.01
Remeasurement effect recognised in OCI	0.08	-
Net expense	0.11	0.01

vi) Bifurcation of Present Value of Obligation at the end of the year

Particulars	As at March 31, 2026	As at March 31, 2025
Current liability	0.04	0.02
Non current liability	0.29	0.19
Total liability	0.33	0.22

vii) Sensitivity analysis*

The following were the principal actuarial assumptions at the reporting

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.16%	6.73%
Salary escalation	6.00%	6.00%
Attrition rate	10.00%	10.00%
Mortality rate	NA	NA

*Sensitivity analysis disclosure involves reporting how changes in key variables affect a holding company's financial performance. It enhances transparency

viii) Maturity profile of defined benefit obligation

Particulars	As at March 31, 2026	As at March 31, 2025
Year (I)	0.04	0.02
Year (II)	0.03	0.02
Year (III)	0.03	0.02
Year (IV)	0.03	0.02
Year (V)	0.02	0.02
Next 5 year pay-outs (6-10 years)	0.07	0.07
Pay-outs Above Ten Years	0.12	0.30
Vested Benefit Obligations	0.33	0.22

Note:

(a) The Company has estimated and recognized the impact of 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 to the results for the year.



40 Additional regulatory information**(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 year ended March 31, 2026 and March 31, 2025.

(c) Details of crypto currency or virtual currency

The Company has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31, 2026 and March 31, 2025

(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 or entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:

(a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (ultimate beneficiaries); or

(b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

(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) Wilful defaulter

The Company is not a wilful 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 in the year ended March 31, 2026 and March 31, 2025.

(k) Revaluation

The Company has not revalued its property, plant and equipment including freehold land during the year ended March 31, 2026 and March 31, 2025.

(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.

41 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	3.24	43.61	-92.57%	The movement in the ratio is primarily attributable to less increase in current assets as compared to increase in current liabilities during the year.
2	Debt-equity ratio	Times	3.79	-	0.00%	Not Applicable
3	Debt service coverage	Times	0.04	NA	0.00%	Not Applicable
4	Return on equity ratio	Percent	10.74%	-20.49%	152.42%	Return on equity improved primarily due to improvement in profitability during the current year.
5	Inventory Turnover	Times	4.31	NA	0.00%	Not Applicable
6	Trade receivable turnover ratio	Days	644.67	0.05	1191657.29%	The trade receivable turnover increased mainly due to higher outstanding receivables and slower collection from customers.
7	Trade payable turnover	Days	8.87	-	0.00%	Not Applicable
8	Net capital turnover ratio	Days	1.59	0.00	104462.45%	The net capital turnover ratio stood at 1.59 times during the year, indicating effective utilization of working capital for generating revenue.
9	Net profit ratio	Percent	3.08%	-18638.95%	100.02%	The net profit ratio improved significantly due to improvement in operational performance and profitability.



10	Return on capital employed	Percent	2.93%	-29.74%	109.85%	Return on capital employed improved indicating better utilization of capital employed during the year.
11	Return on investment	Percent	1.70%	6.60%	74.25%	Return on investment decreased mainly due to lower returns generated on investments during the current 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 = Earning before interest and taxes / Average capital employed
11	Return on investment = Dividend from investment / Average investments

42 Contingent liabilities, contingent assets and litigations, corporate guarantees and capital commitments**a) Contingent liabilities**

Particulars	As at March 31, 2026	As at March 31, 2025
Claims against the Company not acknowledged as debts:		
Income Tax	2.95	2.95
Indirect Tax	46.25	27.68
Total	49.20	30.63

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.

43 Segment reporting

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 holding company, 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.

44 Leases

The company has entered into short-term lease arrangements that qualify for exemption under Ind AS 116. As per this standard, no right-of-use asset or lease liability is recognized in the balance sheet for these leases.

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Expense related to short term leases (including in other expenses) (Refer note no. 30)	0.62	0.55
Total	0.62	0.55

45 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.

46 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.



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

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47 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

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

Pace Renewable Energies Private Limited

Venugopalrao Maddisetty

Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Maddisetty Padma

Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Pandit Rajavendhan

Chief Financial Officer

Place: Bangalore

Date: May 25, 2026

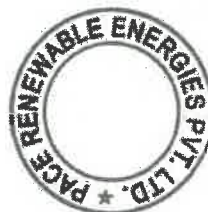
Meghana Purushotham Manchaiah

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026



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

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

Pace Renewable Energies Private Limited referred to as (the "Company"), was incorporated on March 31, 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



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

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- 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

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, less accumulated depreciation and accumulated impairment losses, 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 recognized 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 recognized 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 recognized is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on derecognition of the 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 derecognized.

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:

Particulars	Useful life
Motor vehicles	8 years

2.2 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.

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.



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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.

De-recognition

A financial asset is primarily derecognized when:



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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.



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

*(Amounts are ₹ in million unless otherwise stated)***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 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

Financials 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.

2.3 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).



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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.

2.4 Financial asset under service concession arrangement

The financial asset model applies when the operator has an unconditional right to receive cash or another financial asset from the grantor in remuneration for concession services. In the case of concession services, the operator has such an unconditional right if the grantor contractually guarantees the payment of amount specified or determined in the contract or the shortfall, if any, between amounts received from users of public service and amounts specified or determined in the contract.

Any asset carried under concession arrangements is derecognized on disposal or when no future economic benefits are expected from its future use or disposal or when the contractual rights to the financial asset expire.

Revenue recognition

Revenue from contracts with customers is recognized when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company has generally concluded that it is the principal in its revenue arrangements. Company typically controls the goods or services before transferring them to the customer. The major stream of revenue comprises:

Sale of products

The Company primarily carry out the project of build, own and operation and maintenance of BESS project sites for Maharashtra State Electricity Distribution Company Limited ("authority"). As per the agreement with authority, the Company must build, operate, and maintain the BESS sites for various location as mentioned in term of said agreement. Based on manufacturer or dealer lessor guidance under Ind AS 116, revenue is recognized at the lease commencement date at fair value of the leased asset calculated on a relative selling price basis as per Ind AS 115, and after calculating the present value of the lease payment accruing to the company, discounted using a market rate of interest. This arrangement is considered as finance lease and finance lease receivable will be collected over the contract period. In addition, initial direct costs including purchase cost of sites is recognized as expenses net off the present value of unguaranteed residual values at the lease commencement date. Effectively, selling profit or loss on a finance lease is accounted at the commencement date of lease, regardless of whether the lessor transfers the underlying asset as described in Ind AS 115.

Revenues are recognized when collectability of the resulting receivable is reasonably assured.

Revenue towards satisfaction of a performance obligation is measured at the amount of transaction price (net of variable consideration) allocated to that performance obligation. The transaction price of goods sold and services rendered is net of variable consideration on account of various discounts and schemes offered by the Company as part of the contract.

Sale of services

Income from operation and maintenance of sites are recognized as income over the relevant of service. Sales of services include certain performance obligations that are satisfied over a period of time, any amount received in advance is recorded as contract liability and recognized as revenue when service is rendered to customers.

Financing revenue

Interest income from financing transactions includes income from leasing of BESS sites to customers. Finance and service charges are accrued on the unpaid principal balance of finance lease receivables using the effective interest method



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*(Amounts are ₹ in million unless otherwise stated)***Contract balances****- Contract assets**

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).

2.5 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.

2.6 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



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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.

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.

2.7 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)

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.

2.8 Earnings Per Share

The basic earnings per share are calculated by dividing the net profit attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, net profit attributable to equity shareholders during the year and the weighted average number of shares outstanding during the year are adjusted for the effect of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Anti dilutive effect of any potential equity shares are ignored in the calculation of diluted earnings per share.



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*(Amounts are ₹ in million unless otherwise stated)***2.9 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.

2.10 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.

2.11 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 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.

2.12 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.



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

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

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

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

For 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.

2.13 Key accounting judgments, estimates and assumptions

The preparation of the 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) 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.

b) 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.

c) 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.



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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.

d) Property, Plant and Equipment

Property, Plant and Equipment 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.

2.14 Segment reporting

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Company's other components, and for which discrete financial information is available. Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision Maker ("CODM"). Revenues, expenses, assets and liabilities, which are common to the enterprise as a whole and are not allocable to segments on a reasonable basis, have been treated as "unallocated revenues/ expenses/ assets/ liabilities", as the case may be.

2.15 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 01 April 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



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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.

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.

