

Independent Auditor's Report

To the Members of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the 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 income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the 'Auditor's Responsibilities for the Audit of the Standalone Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") read together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules 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 standalone financial statements.

Key Audit Matter

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matter	How our audit addressed the key audit matter
Estimation of contract cost and revenue recognition : The Company's revenue is primarily from Engineering Procurement and Construction (EPC) contracts. Due to the nature of the contracts, revenue is recognized based on percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs.	Our audit procedures included the following: Our procedures in respect of recognition of Engineering Procurement and Construction (EPC) contract revenue and related cost included the following: 1) Understood and evaluated the design and tested the operating effectiveness of key internal financial controls, including those related to estimation of EPC



We considered the estimation of EPC contracts revenue and related cost as a key audit matter given the following:

- There is an inherent risk and a presumed risk of fraud in revenue recognition, considering also the complex nature of the customer contracts; and
- Complexities involved and significant Management judgement in making forecasts of future cost to complete the contract taking into account future activities to be performed in the contract, additional costs to be incurred, which has a consequential impact on the amount of revenue recognised, variable consideration recognised as revenue and the significance of these amounts to the standalone financial statements.

contract costs, contract revenue and review and approval thereof.

- 2) Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers".
- 3) For selected sample of contracts, performed the following procedures:
 - (a) Obtained and examined project related documents such as contracts, customer communications and price or scope variation orders.
 - (b) Obtained the percentage of completion calculations, agreed key contractual terms with customer contracts/ communication, tested the mathematical accuracy of the cost to complete calculations and re-performed the calculation of revenue recognised during the year based on the percentage of completion.
 - (c) Verified relevant supporting documents and performed cut off procedures for EPC contract related costs incurred through the reporting period. Evaluated Management's assessment of recognising revenue for claims, price or scope variations by reviewing the contractual terms and client communications. Physically visited the EPC contracts sites.
 - (d) Evaluated the reasonableness of key assumptions included in the estimated total EPC contract related costs.
 - (e) Tested trade receivables, contract assets and contract liability balances based on the status of specific contracts, considering the billing done, revenue recognised and advances received from customer, if any, through the reporting date.
 - (f) Performed analytical procedures and conducted inquiries about any unusual trends of revenue recognition and cost.
- 4) Assessed the adequacy of presentation and related disclosures in the standalone financial statements.

Information Other than the Standalone 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 Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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



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

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

Responsibilities of the Management and Board of Director for the Standalone 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 standalone 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, 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 Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with 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 standalone 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 standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone 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 standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements for the financial year ended March 31, 2026 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") 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 standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone financial statements comply with the 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 standalone 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 standalone financial statements.
- (h) In our opinion, and according to the information and explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act; and
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its standalone financial statements - refer note no. 48(b) of notes to the standalone financial statements.
 - ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses;
 - iii. There 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 - 47(e) of notes to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - b) The management has represented, that, to the best of its knowledge and belief, as disclosed in note - 47(f) of notes to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and
 - c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management



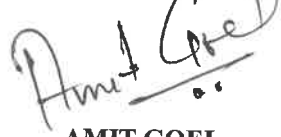
representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above contain any material misstatement.

- v. The Company has not declared or paid any dividend during the year ended March 31, 2026.
- vi. Based on our examination, which included test checks, the Company has maintained its books of account using accounting software that did not have the functionality to record an audit trail (edit log) for all relevant transactions throughout the year. Accordingly, we are unable to comment on the adequacy of the audit trail feature in the said software along with the preservation in accordance with the statutory requirements.

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441



AMIT GOEL

Partner

Membership No. 500607



Date: May 25, 2026

Place: Bangalore

UDIN: 26500607OTHUGQ9583

Annexure A to the Independent Auditor's Report dated May 25, 2026 on the standalone financial statements of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (the "Company") for the year ended March 31, 2026.

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

- i. (a)(A) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has maintained proper records showing full particulars including quantitative details and situation of property, plant and equipment and relevant details of right of use assets.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, property, plant and equipment have been physically verified during the year by the management and no material discrepancies were identified on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of all the immovable properties (other than properties where the Company is the lessee and the lease agreements are duly executed in favor of the lessee) are held in the name of the Company.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right of use assets), investment property or intangible assets during the year ended March 31, 2026. Accordingly, the requirement to report under clause 3(i)(d) of the Order is not applicable to the Company.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no proceedings initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 and rules made thereunder.
- ii. (a) The management has conducted physical verification of inventories at reasonable intervals during the year. In our opinion, the frequency of verification by the management is reasonable and the coverage and procedure of such verification by the management is appropriate. Discrepancies of 10% or more in aggregate for each class of inventory were not noticed on such physical verification.
- (b) As disclosed in note no 49 of notes to the standalone financial statements, the Company has been sanctioned working capital limits in excess of Rs. five crores in aggregate from banks and/or financial institutions during the year on the basis of security of current assets of the Company. Based on the records examined by us in the normal course of audit of standalone financial statements, the quarterly returns/statements filed by the Company with such banks and financial institutions are in agreement with the books of account of the Company, except as mentioned below:



SS KOTHARI MEHTA & CO. LLP

CHARTERED ACCOUNTANTS

Quarter ending	Value per books of accounts (Rs. in million) - A	Value per quarterly return/statement (Rs. in million) - B	Variance (A-B) (Rs. in million)
Trade receivables			
June 30, 2025	18,302.45	17,071.70	1,230.75
September 30, 2025	15,866.22	15,866.20	0.02
December 31, 2025	22,480.63	22,480.60	0.03
March 31, 2026	15,996.09	15,996.10	(0.01)
Trade Payables			
June 30, 2025	10,847.10	5,694.30	5,152.80
September 30, 2025	11,655.67	11,655.70	(0.03)
December 31, 2025	12,061.05	12,061.10	(0.05)
March 31, 2026	13,141.84	13,141.80	0.04
Inventory			
June 30, 2025	611.37	613.20	(1.83)
September 30, 2025	777.29	777.30	(0.01)
December 31, 2025	541.71	541.70	0.01
March 31, 2026	724.56	724.60	(0.04)
Revenue			
June 30, 2025	3,396.65	2,225.90	1,170.75
September 30, 2025	3,421.11	4,591.80	(1,170.69)
December 31, 2025	5,419.95	5,419.90	0.05
March 31, 2026	4,870.36	4,870.40	(0.04)

- iii. (a) According to the information and explanations provided to us and based on our examination of the records of the Company, the Company has not granted any advances in the nature of loans to companies, firms, Limited Liability Partnerships, or any other parties during the year. Further, the Company has made investments and provided loans, guarantees, and securities, the details of which are set out below.

Particulars	(Rs. In million)		
	Security	Guarantees	Loans
Aggregate amount granted/ provided during the year			
- Subsidiary	1,888.32	12,215.00	428.93
Balance outstanding as at balance sheet date (including opening balance and accrued interest) in respect of above cases - Subsidiaries	1,888.32	13,415.00	448.46

(Refer note no 42 to the standalone financial statements).

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, security and guarantee provided and the terms and conditions of the grant of loans, security and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.

- (c) 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 the loans granted to subsidiary which is repayable on demand and has been disclosed as per clause 3(iii)(f) below. In respect of this unsecured loans, the Company has not



SS KOTHARI MEHTA & CO. LLP

CHARTERED ACCOUNTANTS

demanding repayment of loan. Further, the Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.

(d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we are informed that the Company has not demanded the repayment of the unsecured loans granted to subsidiary, hence, there is no overdue amount remaining outstanding as at the balance sheet date. The Company has not provided advances in the nature of loans.

(e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same 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, in our opinion 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 except for the following loan to its related party as defined in Clause (76) of Section 2 of the Act.

(Rs. In million)			
Particulars	All Parties	Promoters	Related parties
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	428.93	-	428.93
Percentage of loans/ advances in nature of loans to the total loans	100%	-	100%

- iv. According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of investment made, loan given, security and guarantee provided by the Company, the provisions of Section 185 and 186 of the Act have been complied.
- v. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has neither accepted any deposits from the public nor accepted any amounts which are deemed to be deposits within the meaning of sections 73 to 76 of the Act and the rules made thereunder, to the extent applicable. We are informed by the management that no Order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal in this regard.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Act, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. However, we have not made a detailed examination of cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is generally regular in depositing with appropriate authorities of undisputed statutory dues including goods and services tax, provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues applicable to it. According to the information and explanations given to us and based on audit procedures performed by us, no undisputed amounts payable in respect of these statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.



SS KOTHARI MEHTA & CO. LLP

CHARTERED ACCOUNTANTS

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 Statue	Nature of dues	Amount (Rs in Million)	Amount paid under protest (Rs in Million)	Period to which amount relates	Forum where dispute is pending
VAT / Sales Tax	Vat Demand	7.65	2.55	FY 2008-2009	Commercial Tax Officer (Audit) Bangalore.
VAT / Sales Tax	Vat Demand	3.87	1.16	FY 2009-2010	Asst. Commissioner of Commercial Taxes, Bangalore
VAT / Sales Tax	Vat Demand	-	1.77	FY 2015-2016	Joint Commissioner, Central (Appeals), Patna
VAT / Sales Tax	Vat Demand	3.87	1.17	FY 2016-17	Joint Commissioner, Central (Appeals), Patna
VAT / Sales Tax	Vat Demand	1.22	-	FY 2013-2014	Deputy Commissioner, West Circle, Ranchi
VAT / Sales Tax	Vat Demand	2.72	-	FY 2014-2015	Deputy Commissioner, West Circle, Ranchi
VAT / Sales Tax	Vat Demand	8.59	-	FY 2014-2015	Deputy Commissioner of Commercial Taxes, Lucknow
VAT / Sales Tax	Entry Tax	0.01	0.00	FY 2013-2014	Asst. Commissioner Commercial Tax, Raipur
CST	CST Demand	5.75	0.86	FY 2014-2015	High court of Raipur
GST	GST Demand	1.89	0.17	FY 2017-2018	Asst. Commissioner Commercial Tax, Patna.
EXCISE	Cenvat Reversal on Domestic Trading and Merchant Exports	36.13	2.71	January 2011 to March 2015	CESTAT, Bangalore
EXCISE	Cenvat Reversal on Domestic Trading and Merchant Exports	4.81	0.36	April 2015 to December 2015	The Commissioner of Central Excise (Appeals-I), Domlur.



Name of the Statute	Nature of dues	Amount (Rs in Million)	Amount paid under protest	Period to which amount relates	Forum where dispute is pending
CUSTOMS	Non consideration of BRC for DBK	0.22	0.02	FY 2013-2014	Commissioner Customs - Mumbai
EXCISE	DBK under Section 74	9.40	0.94	FY 2016-2017	CESTAT, Bangalore
CUSTOMS	DBK Demand	0.06	0.00	FY 2014-2015	The Commissioner of Customs, (Appeals), Bengaluru.
CUSTOMS	Non consideration of BRC for DBK	0.54	0.04	FY 2013-2014	The Commissioner of Customs, (Appeals), Bengaluru.
CUSTOMS	DBK Claimed on Exports made by EOU	24.89	0.18	FY 2014-2015	Govt of India, New Delhi Customs.
CUSTOMS	Non consideration of BRC for DBK	5.38	0.40	FY 2013-2014	The Commissioner of Customs, (Appeals-II) Raigad.
GST	GST order u/s.73	36.64	2.36	FY 2019-2020	DCCT, Uttar Pradesh.
GST	GST Anti Evasion	238.73	-	FY 2017-2020	Writ Petition, Karnataka High Court.
VAT / Sales Tax	Vat/CST Demand	13.05	-	FY 2015-2016	Deputy Commissioner of Commercial Taxes, Lucknow
VAT / Sales Tax	Vat/CST Demand	1.12	-	FY 2016-17	Deputy Commissioner of Commercial Taxes, Lucknow
VAT / Sales Tax	Vat/CST Demand	17.60	-	FY 2017-18	Deputy Commissioner of Commercial Taxes, Lucknow
VAT/CST Demand	VAT/CST Demand	6.46	-	2015-2016	DCCT at Raipur
GST Demand	GST Demand	0.03	-	2020-2021	ACCT, Uttar Pradesh
GST Demand	GST Demand	16.56	-	2022-2024	JCCT of Chennai CGST
Income Tax	Intimation U/s 143(1)	37.77	-	FY 2014-15	Commisisoner of Income Tax
Income Tax	TDS	4.96	0.99	FY 2013-14	National Facelss Appeal Centre
Income Tax	Income Tax Demand	38.97	-	FY 2013-14	Principal CIT appealed before High Court.



SS KOTHARI MEHTA & CO. LLP

CHARTERED ACCOUNTANTS

- viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.
- ix. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed any term loan during the year. Accordingly, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the standalone 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 standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any joint venture or associate. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any joint venture or associate. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has raised funds aggregating to Rs. 7,458.84 million (net of issue expenses) through an Initial Public Offer ("IPO") 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. 2,136.51 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. The Company has not raised any monies by way of further public offer (including debt instruments) during the year (read with note no 52 to the standalone 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, The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit. Hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year. Accordingly, the requirement to report under clause 3(xi)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by us in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.



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

- xii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Sections 177 and 188 of the Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them as referred in section 192 of the Act. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in note no. 46 of notes to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that



SS KOTHARI MEHTA & CO. LLP

CHARTERED ACCOUNTANTS

our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

- xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, with respect to Corporate Social Responsibility (CSR) amounts relating to projects other than ongoing projects, the Company has transferred the unspent CSR obligation pertaining to the financial year 2024-25 to a fund specified in Schedule VII to the Companies Act, 2013 within six months from the end of the financial year. However, for the financial years 2023-24 and 2022-23, the Company has transferred the unspent CSR obligations to fund specified under Schedule VII to the Companies Act, 2013 after six months from the end of the financial year. The details are as follows:

Financial year	Amount unspent on corporate social responsibility activities for other than 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 14.39 million	14.39 million	-
2023-24	Rs. 2.39 million	-	Rs. 2.39 million
2022-23	Rs 1.65 million	-	Rs 1.65 million

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

We further note that the Company has disbursed Rs. 6.53 million towards CSR expenditure for an ongoing project pertaining to current year which has been utilized subsequent to the Balance sheet date. The Management has considered such amount as spent on the basis that the funds have been irrevocably transferred and are not recoverable by the Company {refer note 38(b) to the standalone financial statements.

- 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/N500441

Amit Goel
AMIT GOEL

Partner
Membership No. 500607



Date: May 25, 2026
Place: Bangalore
UDIN: 26500607OTHUGQ9583

Annexure B to the Independent Auditor's Report dated May 25, 2026 on the standalone financial statements of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra 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 standalone financial statements of **Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)** (the "Company") as of March 31, 2026, in conjunction with our audit of the standalone 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 standalone 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 standalone 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 standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of such internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

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 standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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



SS KOTHARI MEHTA & CO. LLP

CHARTERED ACCOUNTANTS

are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the Company; and (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 standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to the Standalone Financial Statements

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

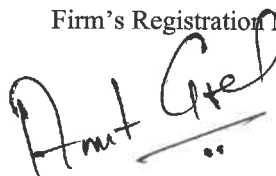
Opinion

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

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441



AMIT GOEL

Partner

Membership No. 500607



Date: May 25, 2026

Place: Bangalore

UDIN: 26500607OTHUGQ9583

Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)
CIN: L31909KA2007PLC041949
Standalone balance sheet as at March 31, 2026
(Amounts are ₹ in million unless otherwise stated)

Particulars	Note no	As at March 31, 2026	As at March 31, 2025
A. Assets			
(1) Non-current assets			
(a) Property, plant and equipment	3	1,076.96	1,001.62
(b) Capital work in progress	4	382.85	320.85
(c) Investment property	6	336.66	17.87
(d) Right-of-use assets	5	201.98	8.33
(e) Other intangible assets	7	272.08	287.02
(f) Financial assets			
(i) Investments	8	5,125.11	126.56
(ii) Trade receivables	14.2	3,756.26	2,946.06
(iii) Loans	9	-	-
(iv) Other financial asset	10	1,317.60	1,301.05
(g) Deferred tax assets (net)	11	109.09	150.31
(h) Non current tax assets (net)	12	23.90	30.32
(i) Other non-current assets	18	386.42	161.03
Total non-current assets		12,988.91	6,351.02
(2) Current assets			
(a) Inventories			
(b) Financial assets	13	724.56	440.29
(i) Trade receivables	14.1	15,996.09	11,494.70
(ii) Cash and cash equivalents	15	458.98	753.10
(iii) Bank balances other than (ii) above	16	3,113.11	982.73
(iv) Loans	9	448.46	-
(v) Other financial assets	17	2,032.96	2,416.95
(c) Other current assets	18	2,408.52	995.93
Total current assets		25,182.68	17,083.70
Total assets (1+2)		38,171.59	23,434.72
B. Equity and liabilities			
(1) Equity			
(a) Equity share capital	19	431.70	356.88
(b) Other equity	20	19,272.52	9,477.77
Total equity		19,704.22	9,834.65
(2) Liabilities			
I. Non current liabilities			
(a) Financial liabilities			
(i) Borrowings	21	74.31	128.86
(ii) Lease liabilities	22	198.20	4.52
(iii) Other financial liabilities	23	5.03	1.80
(b) Provisions	24	127.46	135.62
(c) Other non-current liabilities	30.2	316.41	-
Total non-current liabilities		721.41	270.80
II. Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	1,646.26	1,254.15
(ii) Lease liabilities	27	4.35	3.92
(iii) Trade payables	28	-	-
-Total outstanding dues of micro and small enterprises		139.65	131.15
-Total outstanding dues of creditors other than micro and small enterprises		13,002.18	10,238.89
(iv) Other financial liabilities	29	635.64	588.99
(b) Other current liabilities	30.1	1,655.14	182.63
(c) Provisions	25	212.07	166.95
(d) Current tax liabilities (net)	31	450.67	762.59
Total current liabilities		17,745.96	13,329.27
Total liabilities (I+II)		18,467.37	13,600.07
Total equity and liabilities (I+2)		38,171.59	23,434.72

Material accounting policies

Accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached
For S S Kothari Mehta & Co. LLP
Chartered Accountants

Firm's Registration No. 000756N/N500441

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



For and on behalf of the Board
Pace Digitek Limited

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

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

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

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

Meghaan Parashuram
Company Secretary
Membership No. A42534
Place: Bangalore
Date: May 25, 2026



Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

Standalone 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	32	17,108.08	22,710.96
(b) Other income	33	468.67	382.23
Total income (I)		17,576.75	23,093.19
II. Expenses:			
(a) Cost of materials consumed	34	3,519.68	8,959.37
(b) Engineering, procurement and construction project expenses	34.1	7,965.60	8,411.45
(c) Purchases of stock-in-trade	34.2	747.02	-
(d) Employee benefits expense	35	764.29	543.20
(e) Finance costs	36	322.28	1,109.79
(f) Depreciation and amortisation expense	37	72.90	33.76
(g) Other expenses	38	730.14	843.21
Total expenses (II)		14,121.91	19,900.78
III. Profit before tax (I-II)=III		3,454.84	3,192.41
IV. Tax expense:			
(a) Current tax	41	945.08	953.65
(b) Deferred tax charge/ (credit)		40.72	(126.16)
(c) Taxes relating to earlier years		4.24	31.61
Total tax expense(IV)		990.04	859.10
V. Profit after tax (III-IV)=V		2,464.80	2,333.31
VI. Other comprehensive income/(loss):			
Items that will not be reclassified to profit or loss			
(i) Remeasurement of defined benefit plan gain/(loss)		2.86	0.62
(ii) Income tax relating to these items		(0.72)	(0.16)
Total other comprehensive income for the year (net of tax) (VI)		2.14	0.46
VII Total comprehensive income for the year (V+VI)=VII		2,466.94	2,333.77
VIII. Earnings per share (Rs.) (face value of Rs. 2 per share):	39		
Basic (Rupee)		12.52	14.21
Diluted (Rupee)		12.52	14.21
Material accounting policies	2		

Accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

AMIT GOEL

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026



For and on behalf of the Board

Pace Digitek Limited

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

Venugopalrao Maddisetty

Managing Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Ranjith Rajavendhan

Chief Financial Officer

Place: Bangalore

Date: May 25, 2026

Maddisetty Padma

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Meghana Purushotham

Manager

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026

Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

Standalone statement 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	3,454.84	3,192.41
Adjustments for:		
Depreciation and amortisation expenses	72.90	33.76
Finance costs	321.45	1,109.79
Interest on lease liabilities	0.83	1.03
Balance written back	-	(102.48)
Gain on sale of property, plant and equipment	(0.39)	-
Fair value of investment in optional convertible debentures	(57.96)	-
Interest income on loan	(23.33)	-
Interest income on security deposit	(1.10)	(2.18)
Interest received on corporate guarantee	(8.58)	-
Loss allowance/(Reversal) of expected credit loss	105.89	(9.56)
Bad debts written off	3.09	24.36
Provision for liquidity damages	12.63	136.05
Balance written off	0.05	28.80
Interest income on fixed deposit with banks	(205.07)	(150.40)
Rental income	(62.74)	(6.93)
Operating cash flow before changes in operating assets and liabilities	3,612.51	4,254.65
Movements in working capital:		
(Increase)/decrease in trade receivables	(5,420.55)	(7,761.75)
(Increase)/decrease in loan	(448.46)	2.54
(Increase)/decrease in other financial assets	376.13	(22.27)
(Increase)/decrease in other current assets	(1,451.10)	293.87
(Decrease)/increase in trade payables	(284.27)	714.98
(Decrease)/increase in other financial liabilities	2,771.80	2,104.73
(Decrease)/increase in provisions	236.87	(339.39)
(Decrease)/increase in other liabilities	26.46	108.19
Cash generated from operations	1,788.92	71.15
Income taxes paid (net of refunds)	1,208.29	(573.29)
Net cash generated/(used in) from operating activities (A)	(419.37)	(502.14)
B. Cash flows from investing activities		
Acquisition of property, plant and equipment, intangibles (including capital work-in-progress and capital advances) (net)	(470.83)	(261.16)
Acquisition of investment property	(327.39)	0.92
Investment in equity shares of subsidiary Company	(1,790.59)	-
Investment in optional convertible debentures of subsidiary Company	(3,150.00)	-
Rent received	62.74	6.93
Investment in /proceeds from fixed deposits	(2,130.38)	1,939.24
Interest received on fixed deposit and loans	228.39	200.08
Net cash (used in)/generated from investing activities (B)	(7,578.06)	1,886.01
C. Cash flows from financing activities:		
Repayment of long term borrowings	(81.09)	(453.61)
(Repayment)/proceeds of short term borrowings	373.31	(2,953.28)
Proceeds from issue of equity shares (net of issue expenses)	7,215.63	3,626.36
Payment of principal portion of lease liabilities	(3.89)	(3.15)
Payment of interest portion of lease liabilities	(0.83)	(1.03)
Finance cost paid	(74.08)	(1,109.79)
Net cash generated from/ (used in) financing activity	7,429.06	(894.49)
Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(294.12)	(168.29)
Cash and cash equivalents at the beginning of the year	753.10	921.39
Cash and cash equivalents at the end of the year	458.98	753.10
Components of cash and cash equivalents at the end of the year		
(a) Balances with banks		
In current accounts	458.91	753.03
(b) Cash on hand	0.07	0.07
Total cash and cash equivalents (Refer note no 15)	458.98	753.10



Notes:

(a) The standalone 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 26

Material accounting policies

Accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

For S S Kothari Mehta & Co. LLP

Chartered Accountants
Firm's Registration No. 000756N/N500441

Amit Goel

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



For and on behalf of the Board

Pace Digitek Limited

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

Venugopalrao Maddisetty

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

P. Rajendran

P. Rajendran
Chief Financial Officer
Place: Bangalore
Date: May 25, 2026

Maddisetty Padma

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

Manoj Kumar

Manoj Kumar
Company Secretary
Membership No. A42534
Place: Bangalore
Date: May 25, 2026



Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)
CIN: L31909KA2007PLC041949
Standalone 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	19	50,00,000	50.00
Changes in equity share capital during the year		17,34,42,280	306.88
As at March 31, 2025		17,84,42,280	356.88
Changes in equity share capital during the year		3,74,09,047	74.82
As at March 31, 2026		21,58,51,327	431.70

(b) Other equity

Particulars	Reserves and surplus			Items of OCI	Total other equity
	Retained earnings	General reserve	Securities premium	Remeasurement of defined benefit obligation	
Balance as at April 01, 2024	3,773.57	37.71	-	13.24	3,824.52
Addition during the year:					
Add: Profit for the year	2,333.31	-	-	-	2,333.31
Add: Other comprehensive income/(loss) (net of tax)	-	-	-	0.46	0.46
Add: Premium on issue of equity shares	-	-	3,972.44	-	3,972.44
Less: Bonus shares allotted out of securities premium	-	-	(297.40)	-	(297.40)
Less: Pre-IPO expenses debited to securities premium	-	-	(355.56)	-	(355.56)
Closing balance as at March 31, 2025	6,106.88	37.71	3,319.48	13.70	9,477.77
Addition during the year:					
Add: Profit for the year	2,464.80	-	-	-	2,464.80
Add: Other comprehensive income/(loss) (net of tax)	-	-	-	2.14	2.14
Add: Premium on issue of equity shares	-	-	8,116.66	-	8,116.66
Less: Pre-IPO expenses debited to securities premium	-	-	(788.85)	-	(788.85)
Closing balance as at March 31, 2026	8,571.68	37.71	10,647.29	15.84	19,272.52

Material accounting policies

Accompanying notes form an integral part of these standalone financial statements

As per our report of even date attached

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

For and on behalf of the Board
Pace Digitek Limited
(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)

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



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

Panduraj Rajavendhan
Chief Financial Officer

Place: Bangalore
Date: May 25, 2026

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

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



3 Property, plant and equipment ('PPE')

Particulars	Leasehold land	Freehold land	Building	Plant & machinery	Computers	Office equipment	Vehicles	Furnitures and fixtures	Total
At cost									
Gross carrying amount									
Balance as at April 01, 2024	897.03	-	78.71	1.22	3.65	1.87	24.74	7.67	1,014.89
Additions	-	-	-	-	11.25	0.73	-	0.77	12.75
Disposals	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	897.03	-	78.71	1.22	14.90	2.60	24.74	8.44	1,027.64
Additions	39.31	-	-	222.78	28.58	13.90	-	18.66	323.23
Disposals	-	-	-	(221.70)	-	-	(1.14)	-	(22.84)
Transfer (in/out)	(936.34)	936.34	-	-	-	-	-	-	-
Balance as at March 31, 2026	-	936.34	78.71	2.30	43.48	16.50	23.60	27.10	1,128.03
Accumulated depreciation									
Balance as at April 01, 2024	-	-	4.16	0.17	1.42	0.56	4.32	1.93	12.56
Charge for the year	-	-	3.63	0.13	2.61	0.59	4.95	1.56	13.48
Disposals	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2025	-	-	7.79	0.30	4.03	1.15	9.27	3.49	26.03
Charge for the year	-	-	3.40	19.42	13.56	1.31	3.33	3.26	44.28
Disposals	-	-	-	(19.24)	-	-	-	-	(19.24)
Balance as at March 31, 2026	-	-	11.19	0.48	17.59	2.46	12.60	6.75	51.07
Net carrying amount									
Balance as at March 31, 2025	897.03	-	70.92	0.92	10.87	1.45	15.48	4.95	1,001.62
Balance as at March 31, 2026	-	936.34	67.52	1.82	25.89	14.04	11.00	20.35	1,076.96

Note:

- a) Refer note 21 for the assets forming part of property, plant and equipment which are offered as security/ charge for the borrowings availed by the Company.
- b) The freehold land represents land at Bidadi and Jala Industrial Area IT Park, acquired by the Company during financial year 2014-15 from Karnataka Industrial Areas Development Board (KIADB), on a lease-cum-sale basis. The land was under lease for initial period of ten years thereafter the ownership of the land has been transferred in favour of the Company. Total consideration has been paid by Company at the time of inception of agreement to the KIADB for acquisition of land and thereafter, the Company having obligations under lease is yearly recurring maintenance charges during the lease period. Accordingly, during the current year, the said land has been converted from leasehold to freehold land upon completion of necessary documentation and formalities with KIADB and the Company has now reclassified the said land from leasehold land to freehold land under Property, Plant and Equipment.
- c) 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 Capital Work In Progress (CWIP)

Particulars	Total
Balance as at April 01, 2024	98.04
Additions	246.94
Transfer to other intangible assets	(24.13)
Balance as at March 31, 2025	320.85
Additions	631.17
Capitalised during the year*	(569.17)
Balance as at March 31, 2026	382.85
Net carrying amount	
Balance as at March 31, 2025	320.85
Balance as at March 31, 2026	382.85

*It relates to capitalisation under property, plant & equipment of Rs. 241.79 million and investment property of Rs. 327.38 million during the year.

The Company is in the process of SECI (Solar Energy Corporation of India) and KREDL (Karnataka Renewable Energy Development Limited) project for connectivity of power generated from its proposed Solar Power Project. Expenditure incurred towards such project development activities has been capitalized under Capital Work-in-Progress pending completion of the project.

Capital work in progress ageing schedule as at March 31, 2026 and March 31, 2025

As at March 31, 2026

Particulars	Amount in capital work-in-progress for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	230.58	78.36	9.46	64.45	382.85
(ii) Projects temporarily suspended	-	-	-	-	-
Total	230.58	78.36	9.46	64.45	382.85



As at March 31, 2025

Particulars	Amount in capital work-in-progress for period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	246.93	9.46	35.55	28.90	320.85
(ii) Projects temporarily suspended	-	-	-	-	-
Total	246.93	9.46	35.55	28.90	320.85

For Capital work in progress, whose completion is overdue to its original plan

As at March 31, 2026

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	-	82.54	-	-	82.54
(ii) Projects temporarily suspended	-	-	-	-	-
Total	-	82.54	-	-	82.54

As at March 31, 2025

Particulars	To be completed in				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Projects in progress	28.49	82.54	-	-	111.03
(ii) Projects temporarily suspended	-	-	-	-	-
Total	28.49	82.54	-	-	111.03

The Company has one ongoing project related to an IT Park, where the completion timeline has been exceeded and the project cost has overrun the original estimates. The matter is currently under review and approval by the Board

5 Right-of-use assets (ROU)

Particulars	Office building	Plant & machinery	Total
Gross block			
Balance as at April 01, 2024	5.25	-	5.25
Additions	7.29	-	7.29
Deletions	-	-	-
Balances as at March 31, 2025	12.54	-	12.54
Additions	-	198.00	198.00
Deletions	-	-	-
Balances as at March 31, 2026	12.54	198.00	210.54
Accumulated amortisation			
Balance as at April 01, 2024	-	-	-
Charge for the year	0.44	-	0.44
Deletions	3.77	-	3.77
Deletions	-	-	-
Balances as at March 31, 2025	4.21	-	4.21
Charge for the year	4.18	0.16	4.34
Deletions	-	-	-
Balances as at March 31, 2026	8.39	0.16	8.56
Net block			
Balance as at March 31, 2025	8.33	-	8.33
Balance as at March 31, 2026	4.15	197.84	201.98

Notes:

(i) Refer note 40 for disclosure on leased assets.



6 Investment property

Particulars	Building-1	Building-2	Total
At cost			
Gross carrying amount			
Balance as at April 01, 2024	19.82	-	19.82
Additions	-	-	-
Disposals	-	-	-
Balances as at March 31, 2025	19.82	-	19.82
Additions	-	327.38	327.38
Disposals	-	-	-
Balances as at March 31, 2026	19.82	327.38	347.20
Accumulated amortisation			
Balance as at April 01, 2024	1.03	-	1.03
Charge for the year	0.92	-	0.92
Disposals	-	-	-
Balances as at March 31, 2025	1.95	-	1.95
Charge for the year	0.86	7.73	8.59
Disposals	-	-	-
Balances as at March 31, 2026	2.81	7.73	10.54
Net carrying amount			
Balance as at March 31, 2025	17.87	-	17.87
Balance as at March 31, 2026	17.01	319.65	336.66

Notes:

(a) Disclosure pursuant to Ind AS 40 "Investment Property"

Amount recognised in the Statement of Profit and Loss for investment property:

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Rental income derived from investment property (Refer note 33)	62.74	6.93
Depreciation charge for the year (Refer note 37)	8.59	0.92

(b) Investment property represents building at Bidadi, Karnataka given on lease.

(i) The Company had obtained independent valuation of Rs. 373.02 million from certified valuer for its investment property as at March 31, 2026, (Rs. 36.67 millions for March 31, 2025) and these valuations are based on valuation performed by an independent valuer registered in terms of the Act.

(ii) There is no contractual obligation to purchase, construct or develop investment property or for repairs, maintenance and enhancement thereof and there are no restriction on remittance of income and proceeds of disposal.

(iii) The investment property is Building purchased through sale-cum lease agreement. The formalities of registration of sale cum lease agreement are completed.

(iv) 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 date.

7 Other intangible assets

Particulars	Software	Right of Infrastructure development*	Total
At cost			
Gross carrying amount			
Balance as at April 01, 2024	0.16	292.09	292.25
Additions	0.55	24.13	24.68
Disposals	-	-	-
Balances as at March 31, 2025	0.71	316.22	316.93
Additions	0.75	-	0.75
Disposals	-	-	-
Balances as at March 31, 2026	1.46	316.22	317.68
Accumulated amortisation			
Balance as at April 01, 2024	0.07	14.27	14.34
Charge for the year	0.17	15.41	15.58
Disposals/discard	-	-	-
Balances as at March 31, 2025	0.24	29.68	29.92
Charge for the year	0.31	15.38	15.69
Disposals/discard	-	-	-
Balances as at March 31, 2026	0.55	45.06	45.60
Net carrying amount			
Balance as at March 31, 2025	0.48	286.54	287.02
Balance as at March 31, 2026	0.92	271.16	272.08

Note:-

(a)* The Company has developed a "Solar Power Plant" under a service concession arrangement with Krishna Bhagya Jala Nigam Limited (KBJNL) for the exclusive supply of electricity to KBJNL. As per the arrangement, the Company is also responsible for the operation and maintenance of the project for a period of 25 years from the date of installation.



8 Financial assets (non current): Investments

Particulars	As at March 31, 2026	As at March 31, 2025
Unquoted		
1) Investments in equity instruments		
In wholly owned subsidiary company (at cost unless stated otherwise)		
Pace Renewable Energies Private Limited	1,888.32	98.00
3,82,17,777 equity shares fully paid of Rs. 10 each (98,00,000 equity shares: March 31, 2025 of Rs. 10 each)		
In subsidiary companies (at cost unless stated otherwise)		
Lineage Power Private Limited	24.00	24.00
39,86,710 equity shares fully paid of Rs. 10 each (39,86,710 equity shares: March 31, 2025: equity shares of Rs. 10 each,)		
Lineage Power Holdings (Singapore) Pte Limited	4.56	4.56
73,055 equity shares fully paid of SGD 1 each (73,055 equity shares: March 31, 2025 equity shares of SGD 1 each)		
Inso Pace Private Limited		
5,100 equity shares fully paid of Rs. 10 each (5,000 equity shares: March 31, 2025: equity shares of Rs. 10 each)	0.06	0.05
Less-Allowance for impairment in value of investments	(0.05)	(0.05)
AP Digital Infra Private Limited	-	0.09
Nil equity shares (9,000 equity shares: March 31, 2025: equity shares of Rs. 10 each)		
Less-Allowance for impairment in value of investments	-	(0.09)
Transgreenx Energy Private Limited	0.10	-
9,999 equity shares fully paid of Rs. 10 each		
Lineage Defence and Aerospace Private Limited	0.10	-
9,999 equity shares fully paid of Rs. 10 each		
Pace Ecoplanet Solace Private Limited	0.06	-
6,000 equity shares fully paid of Rs. 10 each		
	1,917.15	126.56
2) Investment in Optionally Convertible Debentures (At FV through profit or loss)		
Pace Renewable Energies Private Limited		
3,15,00,000 Optionally convertible debentures fully paid of Rs. 100 each	3,150.00	-
Fair value gain on Optionally Convertible Debentures	57.96	-
	3,207.96	-
Total	5,125.11	126.56
Aggregate value of unquoted investments	5,125.16	126.70
Aggregate amount of impairment in value of investments	(0.05)	(0.14)

(i) In the current financial year, the Company has acquired additional equity in Pace Renewable Energies Private Limited, thereby increasing its ownership from 93.87% to 100%. As a result, Pace Renewable Energies Private Limited has become a wholly owned subsidiary of the Company.

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

(iii) During the year, the Company has pledged 3,82,17,777 equity shares held as investments in its wholly owned subsidiary namely "Pace Renewable Energies Private Limited" (PREPL) with the lenders for loan taken by PREPL.

9 Loans

Particulars	As at March 31, 2026	As at March 31, 2025
Non current		
Unsecured, considered good,unless otherwise stated		
Loans to related parties		
Loan to related parties	-	1.54
Credit impaired	-	(1.54)
Total	-	-
Current		
Unsecured, considered good,unless otherwise stated		
Loan to related parties (Refer note 42)	448.46	-
Total	448.46	-
Total loans	448.46	-



Disclosure under Regulation 53(f) and 34(3) read together with paragraph A Schedule V of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 of the Companies Act, 2013

Name of the entity	Relation	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 Renewable Energies Private Limited	Wholly owned Subsidiary Company	For its business purposes only	Rate of Interest: 9.50% Tenure: Repayable on demand Repayment: Nil. Accrued interest includes : Rs. 19.53 million	428.93	448.46	448.46	-	-	-

10 Other financial assets - Non current

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Security deposits*	0.13	0.13
Retention money receivables	538.59	416.72
Bank deposit with original maturity for more than 12 months from the reporting date #	778.88	884.20
Total	1,317.60	1,301.05

*Security deposits are carried at amortised cost. These primarily includes deposits given against rented premises and for projects.

*The above deposit includes Rs 778.88 million as at March 31, 2026 (Rs. 884.21 as at March 31, 2025) are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments.

11 Deferred tax asset/liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Deferred tax assets (net)	109.09	150.31
Total	109.09	150.31

12 Non current tax assets

Particulars	As at March 31, 2026	As at March 31, 2025
Income tax assets (Net of provision for tax)	23.90	30.32
Total	23.90	30.32

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

Particulars	As at March 31, 2026	As at March 31, 2025
Raw materials and components	724.56	440.29
Total	724.56	440.29

Note:

- Inventory have been pledged as security against bank borrowings, details relating to which have been given in note 21.
- The raw material component is net off by the provision for slow-moving inventory.

14.1 Trade receivables - current

(a) Particulars	As at March 31, 2026	As at March 31, 2025
(Unsecured unless otherwise stated)		
Trade receivables considered good - Unsecured	16,178.42	11,571.15
Trade receivables-credit impaired	42.39	42.39
Total trade receivables	16,220.81	11,613.54
Less: Expected credit loss allowance	(224.72)	(118.84)
Net trade receivables	15,996.09	11,494.70
Of the above, trade receivables from related parties are as below *		
Trade receivables due from related parties (Refer note 42)	592.86	14.79
Net trade receivables	592.86	14.79

Note:

- *Refer note 42 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 no.44 for information about credit risk and market risk of trade receivables.



(b) Current 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	6,308.56	2,023.64	2,757.03	1,798.57	2,283.14	583.64	423.85	16,178.42
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	-	-	-	-	-	-	42.39	42.39
Gross Total	6,308.56	2,023.64	2,757.03	1,798.57	2,283.14	583.64	466.24	16,220.81
Less : Credit impaired	-	-	-	-	-	-	-	(224.72)
Total	6,308.56	2,023.64	2,757.03	1,798.57	2,283.14	583.64	466.24	15,996.09

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	1,164.13	4,353.48	3,236.36	1,937.84	852.09	12.62	14.63	11,571.15
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	-	-	-	-	-	0.36	42.03	42.39
Gross Total	1,164.13	4,353.48	3,236.36	1,937.84	852.09	12.99	56.66	11,613.54
Less : Credit impaired	-	-	-	-	-	-	-	(118.84)
Total	1,164.13	4,353.48	3,236.36	1,937.84	852.09	12.99	56.66	11,494.70



14.2 Trade receivables -Non-current

(a) Particulars	As at	As at
	March 31, 2026	March 31, 2025
(Unsecured unless otherwise stated)		
Trade receivables considered good - Unsecured	3,756.26	2,946.05
Trade receivables-credit impaired	-	-
Total trade receivables	3,756.26	2,946.05
Less: Expected credit loss allowance	-	-
Net trade receivables	3,756.26	2,946.05

Note:

- Trade receivables are non-interest bearing and due after 0 to 90 days from the due date.
- Refer note no.44 for information about credit risk and market risk of trade receivables.

(b) Non-current 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	3,756.26	-	-	-	-	-	-	3,756.26
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	-	-	-	-	-	-	-	-
Gross Total	3,756.26	-	-	-	-	-	-	3,756.26
Less : Credit impaired	-	-	-	-	-	-	-	-
Total	3,756.26	-	-	-	-	-	-	3,756.26

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	2,946.05	-	-	-	-	-	-	2,946.05
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	-	-	-	-	-	-	-	-
Gross Total	2,946.05	-	-	-	-	-	-	2,946.05
Less : Credit impaired	-	-	-	-	-	-	-	-
Total	2,946.05	-	-	-	-	-	-	2,946.05



15 Cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Balances with banks		
- On current accounts*		
Cash on hand	458.91	753.03
Total	0.07	0.07
	458.98	753.10

* Includes amount proceeds from Initial Public Offer (IPO) of Rs. 174.97 million (March 31, 2025: Nil) held with a scheduled commercial bank which will be utilised for the purpose as stated in the prospectus.

16 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2026	As at March 31, 2025
Bank deposits with remaining maturity for more than three months but less than twelve months *		
Total	3,113.11	982.73
	3,113.11	982.73

*The above deposit includes Rs 1536.91 million as at March 31, 2026 (Rs.982.73 as at March 31, 2025) are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments, further, It also Includes proceeds from Initial Public Offer (IPO) of Rs. 1254.00 million (March 31, 2025: Nil) and will be utilised for the purpose as stated in the prospectus.

17 Other financial assets-current

Particulars	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good, unless otherwise stated		
Security deposits* (Refer note 42)		
Retention money receivables	35.64	46.35
Other receivables from related party (Refer note 42)	1,902.52	2,358.60
Total	94.80	12.00
	2,032.96	2,416.95

It includes amount of security deposit pertains to related party of Rs. 1.10 million as at March 31, 2026 (Rs.1.10 million as at March 31, 2025)

18 Other assets

Particulars	As at March 31, 2026	As at March 31, 2025
Other non current asset		
Prepaid expenses		
Balance with government authorities	27.64	89.94
Capital advances	69.94	71.09
Total	288.84	-
	386.42	161.03
Other current asset		
Balance with government authorities		
Advance to suppliers	305.29	500.54
to related party (refer note no.42)		
to others	1,284.72	8.32
Advance to employees*	619.23	404.91
Prepaid expenses	19.53	16.79
Total	179.75	65.37
	2,408.52	995.93

* It includes advance to related party of Rs. 3.47 million (March 31, 2025: Rs. 1.00 million)



19 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.2 each (Rs.2 each as at March 31, 2025)	46,00,00,000	920.00	46,00,00,000	920.00
	46,00,00,000	920.00	46,00,00,000	920.00
Issued, subscribed and fully paid:				
Equity shares of Rs.2 each (Rs.2 each as at March 31, 2025)	21,58,51,327	431.70	17,84,42,280	356.88
	21,58,51,327	431.70	17,84,42,280	356.88

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
Opening balance Equity shares of Rs. 2 each (Equity shares of Rs. 10 each for the previous year)	17,84,42,280	356.88	50,00,000	50.00
Add: Equity shares issued during the year (Rs 10 each) *	-	-	8,29,026	8.29
Total before split of Rs. 2 each (Equity shares of Rs. 10 each for the previous year)	17,84,42,280	356.88	58,29,026	58.29
Adjustment for split of shares from Rs.10 to Rs.2 (Refer note below)	-	-	2,91,45,130	-
Add: Equity shares issued during the year (Rs.2 each) #	-	-	5,95,250	1.19
Add: Bonus shares issued during the year (Rs.2 each)	-	-	14,87,01,900	297.40
Add: Equity shares issued during the year due to Initial public offer (Rs.2 each) (refer note 52)	3,74,09,047	74.82	-	-
Closing balance (Equity shares of Rs 2 each)	21,58,51,327	431.70	17,84,42,280	356.88

*During the previous year, the Company has undertaken a private placement of 8,29,026 equity shares aggregating to Rs. 3481.91 million at an issue price of Rs. 4200 per equity share based on the independent valuation undertaken from the registered valuer.

During the previous year, the Company has undertaken a private placement of 5,95,250 equity shares aggregating to Rs. 500.01 million at an issue price of Rs. 840 per equity share based on the independent valuation undertaken from the registered valuer.

Sub-division of equity shares

During the previous year, the Company approved the sub-division of each equity share having a face value of Rs10 into 5 equity shares of Rs 2 each, pursuant to the resolution passed by the shareholders at the extraordinary general meeting held on October 16, 2024. The share split became effective from the record date, November 06, 2024.

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

The Company has one class of equity shares having par value of Rs.2 per share (March 31,2025: Rs.2 per share).Accordingly , all equity shares rank equally with regard to dividends and share in the Company's residual assets. Each shareholder is eligible to one vote per share held. The equity shareholders are entitled to receive dividend as declared from time to time.

Each holder of equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders of the equity shares will be entitled to receive remaining assets of the Company after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

(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
Venugopalrao Maddisetty	5,00,33,310	23.18%	5,00,33,310	28.04%
Maddisetty Padma	4,99,83,330	23.16%	4,99,83,330	28.01%
Rajiv Maddisetty	2,50,41,680	11.60%	2,49,91,680	14.01%
Lahari Maddisetty	2,49,91,680	11.58%	2,49,91,680	14.01%
	15,00,50,000	69.52%	15,00,00,000	84.06%

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

Name of the shareholder	As at March 31, 2026			As at March 31, 2025		
	Number of shares	% of holding	% of change	Number of shares	% of holding	% of change
Venugopal Rao Maddisetty	5,00,33,310	23.18%	4.86%	5,00,33,310	28.04%	5.32%
Maddisetty Padma	4,99,83,330	23.16%	4.85%	4,99,83,330	28.01%	5.31%
Rajiv Maddisetty	2,50,41,680	11.60%	2.40%	2,49,91,680	14.01%	2.66%
Lahari Maddisetty	2,49,91,680	11.58%	2.43%	2,49,91,680	14.01%	2.66%
Mudduluru Dheeraj Varma	7,140	0.00%	0.00%	7,140	0.00%	0.00%
	15,00,57,140	69.52%	14.55%	15,00,07,140	84.06%	15.94%

During the current year, there has been a change in the promoter and promoter group shareholding pursuant to a Initial Public Offer (IPO).

During previous year, there has been a change in the promoter and promoter group shareholding pursuant to a private placement of equity shares.

(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 not bought back any class of shares during the period of five years immediately preceding the balance sheet date except the detail as mentioned below:

Bonus issue of equity shares

During the previous year, the company issued and allotted fully paid-up bonus shares at par in the ratio of 5:1 (i.e., five equity shares of Rs 2 each for every one fully paid-up equity share of Rs 2 each), pursuant to the approval of shareholders granted in the Board meeting held on February 03, 2025. The allotment was made based on the record date of January 31, 2025.

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



20 Other equity

Particulars		As at March 31, 2026	As at March 31, 2025
Retained earnings	i	8,571.68	6,106.88
General reserve	ii	37.71	37.71
Other comprehensive income	iii	15.84	13.70
Securities premium	iv	10,647.29	3,319.48
Total other equity		19,272.52	9,477.77
(i) Retained earnings			
Opening balance		6,106.88	3,773.57
Add: Profit for the year		2,464.80	2,333.31
Closing balance *		8,571.68	6,106.88
(ii) General reserve			
Opening balance		37.71	37.71
Add: Transferred during the year		-	-
Closing balance		37.71	37.71
(iii) Other comprehensive income			
Opening balance		13.70	13.24
Add: Addition during the year		2.14	0.46
Closing balance -		15.84	13.70
(iv) Securities premium			
Opening balance		3,319.48	-
Add: Securities premium on equity issued during the year		8,116.66	3,972.44
Less: Bonus issue		-	(297.40)
Less: Pre-IPO expenses debited to securities premium		(788.85)	(355.56)
Closing balance		10,647.29	3,319.48
Total (i+ii+iii)		19,272.52	9,477.76

* Its includes revaluation reserve of Rs. 780.43 millions (Rs.780.43 million as at March 31, 2025) arising from the revaluation of assets.

Nature and purpose of reserves:

- (i) **Retained earnings**
Retained earning are profit/loss that the Company has earned till date less transfer to other reserve, dividend or other distribution or transaction with shareholder.
- (ii) **General reserve**
The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.
- (iii) **Other comprehensive income**
Other items of other comprehensive income consist of re-measurement of net defined benefit liability.
- (iv) **Securities premium**
The securities premium account 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.



21 Borrowings (Non current)

Particulars	As at March 31, 2026	As at March 31, 2025
(A) Secured		
Term loan		
from Banks	13.65	40.96
from financial institutions	60.66	87.90
Total secured borrowings	74.31	128.86
Secured loans are covered as follows :		
Particulars	As at March 31, 2026	As at March 31, 2025
A. Loan from Bank		
1) Guaranteed Emergency Credit Line (GECL) loan: Canara Bank	13.65	40.95
Less: Current maturities disclosed as short-term borrowings in note 26	(13.65)	(27.30)
	-	13.65
Terms & conditions	(A)	
Rate of interest: Interest rate is a floating interest rate ranges from 6.25%-9.5% p.a. (March 31, 2025: 7.5%-9.25%p.a.)		
Repayment: 48 EMI's with moratorium of 12 months w.e.f December 13, 2022		
Security details: Loan given under working capital limit, with securities of debtors & stock.		
2) Guaranteed Emergency Credit Line (GECL) Loan: Canara Bank	27.30	40.95
Less: Current maturities disclosed as short-term borrowings in note 26	(13.65)	(13.65)
	13.65	27.30
Terms & conditions	(B)	
Rate of interest: Interest rate is a floating interest rate ranges from 6.25%-9.5% p.a. (March 31, 2025: 7.5%-9.25%p.a.)		
Repayment: 48 EMI's after moratorium period of 24 months i.e., December 06, 2023		
Security details: Secured against debtors and stock		
B. Term loan from financial institution		
1) Indian Renewable Energy Development Agency Limited (Term loan)	87.90	115.13
Less: Current maturities disclosed as short-term borrowings in note 26	(27.24)	(27.24)
	60.66	87.90
Terms & conditions	(C)	
Rate of interest: Interest rate is a floating interest rate ranges from 8.96%-10.25%p.a. (March 31, 2025: 8.96%-10.20%p.a.)		
Repayment: Repayable in quarterly installments over 10 Years		
Security details: Against charge on movable assets of project and personal guarantee of promoters as a financial assistance by Indian Renewable Energy Development Agency		
2) Guaranteed Emergency Credit Line (GECL) Loan - IREDA	-	12.91
Less: Current maturities disclosed as short-term borrowings in note 26	-	(12.91)
	-	-
Terms & conditions	(D)	
Rate of interest: Interest rate is a floating interest rate ranges from Nil. (March 31, 2025: 8.96%-10.20%p.a.)		
Repayment: Repayable in 48 EMI's w.e.f. 28.02.2022		
Security details: Loan given under against charges on movable assets of project & personal guarantee of promoters		
3) Toyota Financial Services India Ltd.	-	0.44
Less: Current maturities disclosed as short-term borrowings in note 26	-	(0.44)
	-	-
Terms & conditions	(E)	
Rate of interest: 7.45% p.a		
Repayment: Repayable in 36 EMIs		
Security details: The above loan is for purchase of car		
Total long term borrowings (A+B+C+D+E)	74.31	128.86
Total current maturities of long term borrowings	54.54	81.53
Current maturities of long term borrowings from banks	27.30	40.95
Current maturities of long term borrowings from financial institutions	27.24	40.57



22 Non - current lease liability

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability (Refer note 40)	198.20	4.52
	198.20	4.52

23 Other financial liabilities - Non current

Particulars	As at March 31, 2026	As at March 31, 2025
Security deposits	5.03	1.80
	5.03	1.80

24 Provision - non current

Particulars	As at March 31, 2026	As at March 31, 2025
Non current		
Gratuity (refer note 43)	42.42	33.33
Compensated absences	28.89	19.54
Provision for warranty (refer note 25.1)	56.16	82.75
Total Provision	127.46	135.62

25 Provisions - current

Particulars	As at March 31, 2026	As at March 31, 2025
Gratuity (refer note 43)	4.03	1.69
Compensated absences	6.17	2.61
Provision for liquidated damages (refer note 25.1)	148.68	136.05
Provision for warranty (refer note 25.1)	53.19	26.60
Total	212.07	166.95

25.1 Movement in provision for liquidated damages :

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	136.05	-
Recognised during the year	12.63	136.05
Utilised during the year	-	-
Reversed during the year	-	-
Balance at the end of the year	148.68	136.05

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

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

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	109.35	-
Recognised during the year	0.00	109.35
Utilised during the year	-	-
Reversed during the year	-	-
Balance at the end of the year	109.35	109.35
Current	53.19	26.60
Non-current	56.16	82.75

The Company has made provision for expenses expected to be incurred during defect liability period which are in the nature of assurance warranty. The Company expects to incur the related expenditure over the defect liability period.



26 Current financial liabilities - borrowing

Particulars	As at March 31, 2026	As at March 31, 2025
(A) Secured (carried at amortised cost)		
From Banks		
Working capital facilities from Banks (refer note a and b)	893.81	413.65
Current maturities of long term borrowings	27.30	40.95
From financial institutions		
Supplier financing arrangement	652.55	-
Current maturities of long term borrowings	27.24	40.57
(B) Unsecured		
Loans from related parties (refer note 42)	45.36	758.98
Total	1,646.26	1,254.15

i) Secured loans:-

Notes:

From banks

Details of cash credit and working capital demand loan:

(a) The Company has availed cash credit and working capital demand loan facilities from Canara Bank i.e sanctioned limit of Rs. 550.00 million, outstanding balance as at March 31, 2026 : Rs. 398.28 million (March 31, 2025 : Rs. 413.65). These facilities are secured by pari-passu charge against all inventory and trade receivables, present and future, and are guaranteed by director. The loan are repayable on demand and carry interest rate in the range of 9.70% to 11.75% P.a.

(b) The Company has availed cash credit and working capital demand loan facilities from HDFC Bank i.e sanctioned limit of Rs. 500 million, outstanding balance as at March 31, 2026 : Rs. 495.55 million (March 31, 2025 : Rs. Nil). These facilities are secured by pari-passu charge against all inventory and trade receivables present and future, and are guaranteed by director. The loan are repayable on demand and carry interest rate in the range of 8.75% P.a.

(c) Certain suppliers are subject to supplier financing arrangements whereby the original obligation to the supplier is extinguished upon payment by a financing institution and replaced by an obligation to the financier, with a significantly extended repayment period and outstanding balance as at (March 31, 2026: Rs. 652.55 million, March 31, 2025: Nil).

ii) Unsecured loan

(a) The unsecured loans from related parties and directors are repayable on demand and carries interest rate at 12.00 % p.a.

Reconciliation between opening and closing liabilities arising from financing activities:

Particulars	As at March 31, 2026		As at March 31, 2025	
	Borrowings	Lease liabilities	Borrowings	Lease liabilities
Balance at the beginning of the year	1,383.01	8.44	4,789.89	4.69
Cash flows:				
Payment of lease liabilities	-	(3.89)	-	(2.13)
Interest expense paid on lease liabilities	-	(0.83)	-	(1.03)
Repayment of long term borrowings	(81.09)	-	(453.61)	-
Proceeds/(repayment) of short term borrowings	373.31	-	(2,953.28)	-
Finance costs paid	(74.08)	-	(1,109.79)	-
Non-cash changes:				
Finance costs	119.44	-	1,109.79	-
New lease liabilities recognised	-	198.00	-	6.90
Interest expense accrued during the year	-	0.83	-	1.03
Closing balance	1,720.57	202.55	1,383.01	9.46

27 Lease liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Lease liability (Refer note 40)	4.35	3.92
	4.35	3.92



28 Trade payables

(a) Particulars	As at March 31, 2026	As at March 31, 2025
Total outstanding dues of micro enterprises and small enterprises	139.65	131.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	13,002.18	10,238.89
	13,141.83	10,370.04

Of the above Trade payables amounts due to related parties are as below:

Trade payables due to related parties (refer note 42)

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

2,403.67 **3,848.74**

(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	139.65	131.15
Interest due thereon remaining unpaid to any supplier as at the end of the year	-	1.76
(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/period) 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 periods from due dates of payment as at March 31, 2026				Total
			Less than 1 year	1 - 2 years	2 - 3 years	More than 3 years	
Total outstanding dues of micro enterprises and small enterprises	-	68.26	58.66	12.73	0.01	-	139.65
Total outstanding dues of creditors other than micro enterprises and small enterprises	7,147.41	1,599.65	3,025.10	1,170.95	36.40	22.66	13,002.18
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	7,147.41	1,667.91	3,083.76	1,183.68	36.41	22.66	13,141.84



As at March 31, 2025

Particulars	Unbilled	Not due	Outstanding for following periods from due dates of payment as at March 31, 2025				Total
			Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 Years	
Total outstanding dues of micro enterprises and small enterprises	-	100.28	30.68	0.19	-	-	131.15
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,120.38	3,716.80	3,333.64	44.53	10.59	12.95	10,238.89
Disputed dues of micro enterprises and small enterprises	-	-	-	-	-	-	-
Disputed dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-	-
Total	3,120.38	3,817.08	3,364.32	44.72	10.59	12.95	10,370.03

Note:

a) The Company engaged in business transactions with the related party, Pace Power Tanzania Limited, in a previous years for the import of goods or services. As a result, the Company has outstanding foreign currency payables amounting to Rs. 1.18 million. However, these payables have remained unsettled for more than three years from the transaction date, as Pace Power Tanzania Limited does not have a bank account to which the company can transfer the funds within the timeframe prescribed under the Foreign Exchange Management Act, 1999. In accordance with the Reserve Bank of India's (RBI) Master Direction on the Import of Goods and Services, prior approval from an AD Category-I Bank/RBI is required for an extension, except in cases where the foreign currency payable is settled within six months or within 12 months if the shipment date for imports was on or before July 31, 2020. The Company is subject to approval from the AD Category-I Bank/RBI to ensure compliance with the Foreign Exchange Management Act, 1999.

29 Other financial liabilities - current

Particulars	As at March 31, 2026	As at March 31, 2025
Carried at amortised cost		
Retention money	4.70	10.93
Provision for unspent CSR	-	18.43
Security deposits	464.20	276.57
Interest payable against corporate guarantee (refer note 42)	-	17.31
Expenses payable related to IPO	-	187.00
Employee related payables*	118.13	78.75
Other expense payable	48.62	-
Total	635.64	588.99

*It includes balance payable to related party of Rs.5.25 million as at March 31, 2026 (Rs.5.58 million as at March 31, 2025) and refer note 42.
Refer note 44 for information about liquidity risk and market risk of other financial liabilities.

30.1 Other current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Statutory liabilities*	137.06	165.88
Contract liabilities #	1,518.08	16.75
Total	1,655.14	182.63

*It includes amounts related to statutory dues such as Income Tax, Goods and Services Tax (GST), Employees State Insurance (ESI), and Provident Fund (PF) etc.
It includes balance from related party of Rs. 1,500.49 million as at March 31, 2026 (Nil as at March 31, 2025) and refer note 42

30.2 Other non current liabilities

Particulars	As at March 31, 2026	As at March 31, 2025
Contract liabilities	316.41	-
Total	316.41	-

31 Current tax liabilities (net)

Particulars	As at March 31, 2026	As at March 31, 2025
Provision for income tax (net of advance tax and TDS of Rs. 308.07 million at March 31, 2026 and Rs. 141.07 million as at March 31, 2025)	450.67	762.59
Total	450.67	762.59



32 Revenue from operations

A	Particulars	For the year ended	For the year ended
		March 31, 2026	March 31, 2025
	Sale of products and services		
	Sale of products	804.60	16.59
	Sale-engineering, procurement and construction project (EPC)	15,673.36	22,511.49
	Sale of services	630.12	182.88
	Total revenue from operations	17,108.08	22,710.96
B.	Disaggregation of revenue from contracts with customers :		
	The Company undertakes Telecom Towers, Transmission Line Towers survey, Tower Accessories, supply of materials, design, erection, testing and commissioning on a turnkey basis, development, operation and maintenance of EPC projects, generation of power from renewable energy sources i.e. solar, rooftop solar projects and related ancillary services and operating and maintaining solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP) and trading of goods and other related services.		
C.	The following table provides information about revenue recognised over point in time and satisfied over time		
	Particulars	For the year ended	For the year ended
		March 31, 2026	March 31, 2025
	Point in time	804.60	16.59
	Satisfied over time	16,303.48	22,694.37
	Revenue from contracts with customers	17,108.08	22,710.96
D.	Geographic revenue		
	Particulars	For the year ended	For the year ended
		March 31, 2026	March 31, 2025
	Within India	17,108.08	22,710.96
	Outside India	-	-
	Total	17,108.08	22,710.96
E.	Contract assets		
	Particulars	As at	As at
		March 31, 2026	March 31, 2025
	Opening Balance	-	-
	Less: Bills raised	-	-
	Addition during the year	-	-
	Closing balance	-	-
F.	Contract liabilities		
	Particulars	As at	As at
		March 31, 2026	March 31, 2025
	Balance at beginning of the year	16.75	3.82
	Additional amount billed but not recognized as revenue	1,834.49	12.93
	Deduction on account of revenue recognized during the year	(16.75)	-
	Balance at the end of the year	1,834.49	16.75
G.	Contract balances		
	The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.		
	Particulars	As at	As at
		March 31, 2026	March 31, 2025
	-Receivables, which are included in 'trade receivables'	19,752.35	14,440.76
	Contract assets (unbilled revenue)	-	-
	Contract liabilities (unearned revenue)	1,834.49	16.75



H. Reconciliation of contract price

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue as per contracted price	18,233.19	22,847.01
Adjustments for:		
Less: Offset against material purchase*	(1,112.48)	-
Less: Liquidated damages	(12.63)	(136.05)
Total Revenue from contract with customers	17,108.08	22,710.96

*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. 1,112.48 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.

33 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	205.07	150.40
Fair value gain on measurement of optionally convertible debentures	57.96	-
Interest income on loan	23.33	-
Interest income of security deposit	1.10	2.18
Other non-operating income		
Rental income*	62.74	6.93
Interest income on corporate guarantee	8.58	12.00
Balance written back	-	102.48
Management support services	109.50	97.87
Profit on sale of property, plant and equipment	0.39	-
Other gains/ (losses)		
Reversal of expected credit loss	-	9.56
Miscellaneous income	-	0.81
Total	468.67	382.23

* It includes rental income from related party of Rs.54.95 million as at March 31, 2026 (Nil as at March 31, 2025) and refer note 42

34 Cost of materials consumed

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Opening stock	440.29	1,155.27
Add: Purchases during the year*	3,803.95	8,244.39
Less: Closing stock	(724.56)	(440.29)
Total	3,519.68	8,959.37

*The Company has evaluated certain supplier arrangements, including the related contractual terms and conditions. Based on such evaluation, the related costs have been recognised on a net basis. Consequently, corresponding cost of goods amounting to Rs. 985.63 million, (March 31, 2025: Nil) have been netted off in the Statement of profit and loss.

34.1 Engineering, procurement and construction project expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Engineering, procurement and construction project expenses	7,965.60	8,411.45
Total	7,965.60	8,411.45

34.2 Purchases of Stock-in-Trade

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases	747.02	-
Total	747.02	-



35 Employee benefits expense

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Salaries, wages and bonus	709.08	498.66
Contributions to provident and other funds (Refer note 43)	33.08	22.81
Gratuity expenses (Refer note 43)	14.27	10.60
Staff welfare expenses	7.86	11.13
Total	764.29	543.20

36 Finance costs

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expenses on borrowing	119.44	983.33
Interest on lease liabilities (Refer note 40)	0.83	1.03
Unwinding of discount on security deposit received	0.95	1.29
Corporate guarantee expenses	-	17.31
Interest on payment of taxes	99.10	-
Other borrowing cost*	101.96	106.83
Total	322.28	1,109.79

* Primarily includes bank guarantee charges of Rs. 85.65 million (for previous year Rs.87.84 million) and letter of credit charges of Rs. 15.93 million (for previous year Rs.18.44 million) and other financial charges of Rs. 0.38 million (for previous year Rs. 0.54 million).

37 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)	44.28	13.48
Depreciation on investment property (Refer note 6)	8.59	0.92
Amortisation on right to use assets (Refer note 5)	4.34	3.78
Amortisation on other intangible assets (Refer note 7)	15.69	15.58
Total	72.90	33.76

38 Other expenses

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Power and fuel	38.58	18.37
Bank charges	22.14	1.93
Rent	143.68	200.65
Insurance	16.20	47.00
Rates & taxes	34.12	44.56
Repairs & maintenance		
Plant and equipment	3.32	2.88
Buildings	5.58	6.50
Others	14.65	9.27
Communication expenses	9.54	11.15
Bad debts written off	3.09	24.36
Loss allowance for trade receivable	105.89	-
Travelling and conveyance	114.89	159.65
Printing & stationery	3.06	2.14
Advertisement and sales promotion	7.50	3.82
Legal and professional fees	142.89	180.18
Security charges	9.09	6.91
Donation*	0.07	50.10
Auditor's remuneration and expenses	4.05	10.80
Balance written off	0.05	28.80
Corporate social responsibility	36.80	16.02
Net loss on foreign currency transactions	1.03	1.00
Miscellaneous expenses	13.92	17.12
Total	730.14	843.21

*It includes, the Company contributed Rs. Nil (March 31,2025 Rs. 50.00 million) to political parties under Section 182 of the Companies Act, 2013.

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

Statutory audit fee	4.05	3.00
Special purpose audit and certifications fees	-	7.80
Total	4.05	10.80



(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, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details are as below:

Gross amount required to be spent by the Company during the year (March 31, 2026 Rs.36.80 million, March 31, 2025 Rs. 16.02 million).

Amount voluntarily spent during the year on :

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Amount required to be spent by the Company during the year as per Section 135 of companies Act, 2013.	36.47	16.02
b) Amount approved by the Board to be spent during the year	36.47	16.02
c) Amount of expenditure incurred on :		
(i) Construction/acquisition of any assets	(29.32)	-
(ii) On purposes other than (i) above	(25.58)	(1.63)
(d) Total of previous year shortfall/(surplus)	18.43	4.04
(e) Shortfall/(surplus) at the end of the year	-	18.43
	-	18.43
Amount recognised in statement of profit and loss	36.47	16.02
Total amount spent	54.90	1.63
Amount yet to be spent	-	18.43

Reason for shortfall	NA	NA
	Contribution for promoting education and health.	Contribution for promoting education
Nature of CSR activities		
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	-	-	6.53	6.53	-	-	-
FY 2024-25	-	-	1.63	1.63	-	-	-

*During the year ended March 31, 2026, the Company incurred CSR expenditure of Rs. 6.53 million (previous year: Nil) against the amount of Rs. 36.47 million required to be spent under Section 135(5) of the Companies Act, 2013. The said amount of Rs. 6.53 million was irrevocably transferred on March 31, 2026 to Shri Jain Manav Seva Trust towards CSR activities and was utilized subsequent to the balance sheet date. The Management has considered this amount as CSR expenditure incurred during the year, as the funds have been irrevocably transferred to the Trust and are not recoverable by the Company.

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

Year	Opening balance		Amount required to be spent during the year	Amount spent during the year**		Closing balance	
	With the Company	In Separate CSR Unspent A/c		From Company's bank account	From Separate CSR Unspent account	With the Company	In Separate CSR Unspent A/c
FY 2025-26	18.43	-	29.94	48.37	-	-	-
FY 2024-25	4.04	-	14.39	-	-	18.43	-

**As disclosed in the previous year, the Company had filed an adjudication application with the Registrar of Companies, Bangalore, relating to unspent CSR amounts for financial years 2020-21 to 2023-24. During the year, the Company complied with the order passed by the Registrar of Companies and has discharged all related obligations, including payment of the amounts as required. Accordingly, no liability or obligation remains outstanding as at the reporting date in respect of such unspent CSR amounts.



39 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
(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
Net profit for the year attributable to equity shareholders (in Rupee) (A)	2,464.80	2,333.31
Number of equity share at the beginning of the year	178,442,280	5,000,000
Add: Share issued during the year through private placement	-	829,026
Total no of shares before split (Equity shares of Rs. 2 each and Equity shares of Rs. 10 each for the previous year)	178,442,280	5,829,026
Add: Stock split ratio 1:5	-	29,145,130
Add: Share issued during the year through private placement	-	595,250
Add: Bonus shares issued during the year	-	148,701,900
Add: Share issued during the year through Initial Public Offer (IPO)	37,409,047	-
Number of equity share at the end of the year	215,851,327	178,442,280
Weighted average number of equity shares outstanding during the year for computing Basic EPS (B)	196,890,577	164,223,556
Dilutive effect on weighted average number of equity shares outstanding during the year	-	-
Weighted average number of equity shares in calculating diluted EPS (C)	196,890,577	164,223,556
Face value of equity shares (₹)	2.00	2.00
Basic earnings per share (A/B) (Rs.)	12.52	14.21
Diluted earnings per share (A/C) (Rs.)	12.52	14.21

Note:

During the current year, the Company issued 3,74,09,047 equity shares of Rs.2 each pursuant to an Initial Public Offer (IPO), aggregating to Rs.8,191.48 million (including securities premium), comprising 55,080 shares issued to employees at Rs.199 per share and 3,73,53,967 shares issued to other investors at Rs.219 per share which got allotted on October 03, 2025.

The Board of Directors, at their meeting held on October 16, 2024, recommended for the sub-division of equity shares of the Company from existing face value of Rs. 10/- each into face value of Rs. 2/- each (i.e. split of 1 equity share of Rs. 10/- each into 5 equity shares of Rs. 2/- each), and the same has been approved by the shareholders in the extraordinary general meeting of the Company held on October 16, 2024. Accordingly, face value of the equity shares of the Company now stand at Rs. 2/- each w.e.f. the record date November 06, 2024.

Pursuant to the approval of shareholders granted in the board meeting held on February 01, 2025, the Company issued and allotted fully paid-up "bonus shares" at par in the proportion of five new equity shares of Rs. 2 each for every one existing fully paid-up equity share of Rs. 2 each held as on the record date of February 03, 2025.



40 A. Leases as lessee

The Company has entered into agreements for leasing office building on lease and for entering into said lease.

a) Amounts recognised in profit or loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Interest expense on lease liabilities	0.83	1.03
Depreciation charge on right of use assets	4.34	3.78
Expense relating to short term lease and lease of low value assets	143.68	200.65
Total	148.85	205.46

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

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	8.44	4.69
Addition during the year	198.00	6.90
Deletion during the year	-	-
Finance cost accrued during the year	0.83	1.03
Interest expense paid on lease liabilities	(0.83)	(1.03)
Payment of lease liabilities	(3.89)	(3.15)
Balance at the end of the year	202.55	8.44

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

Particulars	As at March 31, 2026	As at March 31, 2025
Current lease liabilities	4.35	3.92
Non-current lease liabilities	198.20	4.52
Total	202.55	8.44

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

Particulars	As at March 31, 2026	As at March 31, 2025
Not later than one year	77.96	4.72
Later than one year but not later than five years	213.19	4.83
Later than five years	-	-
Total	291.15	9.55

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

B. Company's as a lessor

The Company has given a premises under cancellable operating lease arrangement. For gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises (Refer note 6). Lease income is recognised in the statement of profit and loss under "Other Income". Initial direct costs incurred, if any, to earn revenues from a lease are recognised as an expense in the statement of profit and loss in the period in which they are incurred.



41 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	945.08	953.65
Earlier year tax adjustments	4.24	31.61
Deferred tax charge/(credit)	40.72	(126.16)
Tax expenses for the year	990.04	859.10

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)	3,454.84	3,192.41
Enacted income tax rate (%)	25.17%	25.17%
Tax amount on enacted income tax rate in India	869.51	803.46
Tax effect of:		
Non deductible		
Tax effect of amounts which are not deductible in calculating taxable income	121.02	42.52
Tax effect of amounts chargeable at special rate	(4.74)	(0.52)
Adjustments in respect of current income tax of previous year	4.24	13.99
others	-	(0.35)
Income tax expenses recognised in the statement of profit and loss	990.04	859.10

C. Amount recognised in other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Deferred tax		
Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss)	2.86	0.62
Income tax expense/(income) recognised in other comprehensive income	(0.72)	(0.16)

D. Deferred tax balances

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

Particulars	Opening balance as at April 01, 2025	(Recognised)/ reversed through the statement of profit and loss	Recognised through OCI	Closing balance as at March 31, 2026
Deferred tax (liability) on				
Property, plant and equipment and Intangible Assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/amortisation charged for financial reporting.	39.59	(79.77)	-	(40.13)
Right of use asset and lease liability	(0.03)	0.17	-	0.14
Processing fee on borrowing cost	(0.11)	-	-	(0.11)
Deferred tax asset on				
Provision for expected credit losses	29.91	26.65	-	56.61
Security deposit (Ind AS)	0.16	-	-	0.16
Provision for liquidated damages	34.24	3.18	-	37.43
Provision for warranty	27.52	0.00	-	27.52
Provision for employee benefit	19.02	9.05	(0.72)	27.36
Net deferred tax asset/(liabilities)	150.31	(40.72)	(0.72)	109.09



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

Particulars	Opening balance as at April 01,2024	(Recognised)/ reversed through the statement of profit and loss	Recognised through OCI	Closing balance as at March 31,2025
Deferred tax (liability) on				
Property, plant and equipment and Intangible Assets: Impact of difference between tax depreciation allowed under the Income Tax Act and-depreciation/amortisation charged for financial reporting	(18.48)	58.07	-	39.59
Right of use asset and lease liability	(0.03)	0.00	-	(0.03)
Reversal of revenue and related cost	(23.23)	23.23	-	-
Processing fee on borrowing cost	(0.11)	-	-	(0.11)
Remeasurement of inventory valuation	(3.54)	3.54	-	-
Deferred tax asset on				
Impairment of loan	4.04	(4.04)	-	-
Interest income and expenses on corporate guarantee	17.62	(17.62)	-	-
Provision for expected credit losses	33.19	(3.28)	-	29.91
Security deposit (Ind AS)	0.16	-	-	0.16
Provision for liquidated damages	-	34.24	-	34.24
Provision for warranty	-	27.52	-	27.52
Provision for employee benefit	14.68	4.50	(0.16)	19.02
Net deferred tax asset/(liabilities)	24.31	126.16	(0.16)	150.31



42 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 Renewable Energies Private Limited	Wholly owned subsidiary
Lineage Power Holdings (Singapore) Pte Ltd	Subsidiary
Lineage Power Private Limited	Subsidiary
Inso Pace Private Limited	Subsidiary
AP Digital Infra Private Limited	Subsidiary (Upto January 20, 2026)
TransGreenx Energy Private Limited	Subsidiary (w.e.f. November 22, 2025)
Lineage Defence And Aerospace Private Limited	Subsidiary (w.e.f. December 23, 2025)
Pace EcoPlanet Solace Private Limited	Subsidiary (w.e.f. January 05, 2026)
Lineage Power (Myanmar) Limited	Step down subsidiary

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

Key management personnel (KMP):

Venugopalrao Maddisetty	Managing Director
Maddisetty Padma	Whole-Time-Director
Rajiv Maddisetty	Whole-Time-Director
Pandidurai Rajavendhan	Chief Financial Officer (CFO) (w.e.f. October 16, 2024)
Meghana Purushotham Manchaiah	Company Secretary (w.e.f. October 16, 2024)
Om Prakash Mishra	Independent Director (w.e.f. January 07, 2025)
Prabhakar Reddy Patil	Independent Director (w.e.f. February 01, 2025)
Satishchandra B Ogale	Independent Director (w.e.f. January 07, 2025)

Relatives of key management personnel

Mudduluru Dheeraj Varma	Brother of Maddisetty Padma
-------------------------	-----------------------------

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

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

The following table summarises related-party transactions and balances for the year ended as at March 31, 2026 and March 31 2025:

B. Transactions with the related parties for the year ended

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from operation		
Lineage Power Private Limited	18.07	27.53
Lanarsy Infra Private Limited	-	17.04
Pace Renewable Energies Private Limited	3,147.33	-
Total	3,165.40	44.57
Reimbursement of expenses		
Lanarsy Infra Private Limited	3.37	11.96
Total	3.37	11.96
Management support services		
Lineage Power Private Limited	100.32	97.87
Pace Renewable Energies Private Limited	9.18	-
Total	109.50	97.87
Rent Received		
Lineage Power Private Limited	54.95	-
Total	54.95	-



Interest income on loan		
Pace Renewable Energies Private Limited	22.36	-
Total	22.36	-
Other income		
Corporate guarantee balance written back		
Pace Renewable Energies Private Limited	-	102.48
Total	-	102.48
Other expenses		
Balance written off		
Lineage Power Private Limited	-	28.80
Ap Digital Infra Private Limited	0.12	-
Total	0.12	28.80
Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Purchases		
Lineage Power Private Limited	2,784.00	4,600.44
Total	2,784.00	4,600.44
Engineering, procurement and construction project expenses		
Lanarsy Infra Private Limited	1,148.91	1,355.84
Total	1,148.91	1,355.84
Rental deposit received		
Pace Power Systems	-	9.70
Total	-	9.70
Rent paid		
Pace Power Systems	1.87	1.85
Total	1.87	1.85
Compensation to key management personnel:		
Short term employee benefits		
Venugopalrao Maddisetty	22.87	22.87
Maddisetty Padma	20.33	20.33
Rajiv Maddisetty	10.92	10.92
Pandidurai Rajavendhan	7.79	6.20
Meghana Manchaiah Purushotham	1.95	0.84
Total	63.86	61.16
Post employee benefits		
Venugopalrao Maddisetty	2.00	-
Maddisetty Padma	0.12	0.12
Rajiv Maddisetty	0.78	0.18
Pandidurai Rajavendhan	0.18	0.20
Meghana Manchaiah Purushotham	0.02	0.02
Total	3.09	0.52
Sitting fee to independent directors		
Om Prakash Mishra	2.80	0.20
Prabhakar Reddy Patil	2.70	0.10
Satishchandra B Ogale	3.30	0.20
Total	8.80	0.50
Interest income on corporate guarantee provided		
Lineage Power Private Limited	-	12.00
Pace Renewable Energies Private Limited	8.58	-
Total	8.58	12.00
Interest expense on corporate guarantee received		
Lineage Power Private Limited	-	11.25
Pace Renewable Energies Private Limited	-	6.06
Total	-	17.31



Interest expenses on borrowings taken		
Venugopalrao Maddisetty	2.30	12.05
Maddisetty Padma	6.48	9.79
Pace Renewable Energies Private Limited	18.19	56.63
Pace Power Systems	-	7.38
Total	26.97	85.85
Loans given		
Pace Renewables Energies Private Limited	428.93	-
Total	428.93	-
Repayment of borrowings		
Venugopalrao Maddisetty	91.39	19.53
Maddisetty Padma	79.72	14.78
Pace Renewable Energies Private Limited	485.64	146.77
Total	656.76	181.08
Borrowings made during the year		
Pace Power Systems	-	47.00
Pace Renewables Energies Private Limited	-	45.00
Total	-	92.00
Advances given during the year		
Ap Digital Infra Private Limited	-	0.17
Inso Pace Private Limited	2.51	0.18
Total	2.51	0.34
Payments on behalf of		
Lineage Power Private Limited	567.53	759.18
Pace Renewable Energies Private Limited	116.10	16.15
Pace Power Systems	3.59	12.63
Inso Pace Private Limited	0.01	-
Total	687.23	787.96
Investments		
Investment in Optionally Convertible Debentures		
Pace Renewable Energies Private Limited	3,150.00	-
Total	3,150.00	-
Advance salary		
Rajiv Maddisetty	2.47	1.00
Total	2.47	1.00
Investment in equity shares		
Pace Renewable Energies Private Limited	1,750.00	-
TransGreenx Energy Private Limited	0.10	-
Lineage Defence And Aerospace Private Limited	0.10	-
Pace Ecoplanet Solace Private Limited	0.10	-
Total	1,750.30	-
Equity shares issued during the year		
Mudduluru Dheeraj Varma	-	1.00
Total	-	1.00



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

Particulars	As at March 31, 2026	As at March 31, 2025
Trade receivables		
Pace Renewable Energies Private Limited	569.84	-
Lanarsy Infra Private Limited	18.77	14.79
Inso Pace Private Limited	2.68	-
Pace Power Systems	1.57	-
Total	592.86	14.79
Trade payables		
Lineage Power Private Limited	150.00	2,098.56
Lanarsy Infra Private Limited	2,250.54	1,746.43
Pace Power Tanzania Limited	1.18	1.79
Pace Infra	1.95	1.95
Total	2,403.67	3,848.74
Other current liabilities		
Contract liability		
Pace Renewable Energies Private Limited	1,500.49	-
Total	1,500.49	-
Other current asset		
Advance to suppliers		
Lineage Power Private Limited	1,276.69	-
Qogno Digital Infrastructure Private Limited	8.03	8.03
Inso Pace Private Limited	-	0.17
Ap Digital Infra Private Limited	-	0.12
Total	1,284.72	8.32
Other financial liability		
Interest payable against corporate guarantee		
Lineage Power Private Limited	-	11.25
Pace Renewable Energies Private Limited	-	6.06
Total	-	17.31
Loans receivable		
Pace Renewable Energies Private Limited	448.46	-
Total	448.46	-
Borrowings		
Venugopalrao Maddisetty	22.94	112.03
Maddisetty Padma	22.42	95.66
Pace Renewable Energies Private Limited	-	551.24
Total	45.36	758.93
Deposit		
Rental deposit		
Pace Power Systems	1.10	1.10
Total	1.10	1.10
Advance salary		
Rajiv Maddisetty	-	0.12
Total	3.47	1.00
Other financial asset		
Amount receivable from related party		
Pace Renewable Energies Private Limited	94.80	-
Lineage Power Private Limited	-	12.00
Total	94.80	12.00
Remuneration payable to key managerial person		
Venugopalrao Maddisetty	1.91	1.91
Maddisetty Padma	1.69	1.69
Rajiv Maddisetty	0.91	0.91
Pandidurai Rajavendhan	0.57	0.95
Meghana Manchaiah Purushotham	0.17	0.12
Total	5.25	5.58



Note:

i. Company has provided corporate guarantees on behalf of the Pace Renewable Energies Private Limited to Indian Renewable Energies Development Agency Limited (IREDAL) for the loan facilities extended by the lender. Further, based on a valuation carried out by an independent valuer, the fair value of the corporate guarantee is determined, and accordingly, corporate guarantee interest has been charged.

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

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Closing balance of corporate guarantees provided	12,215.00	-

ii. Company has provided joint corporate guarantees with Pace Renewable Energies 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 provided / (released) during the period and the closing balance of such corporate guarantees is given below:

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

iii. Pace Renewable Energies Private Limited, Lineage Power Private Limited and Pace Power System have provided joint corporate guarantees on behalf of the Company 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 received / (released) during the period and the closing balance of such corporate guarantees is given below:

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

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

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.



43 Employee benefits

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

Defined contribution plans:

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

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

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

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

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Company contribution to provident fund	30.52	20.38
Company contribution to employees state insurance	2.49	2.42
Company contribution to labour welfare fund	0.07	0.02
Total	33.08	22.81

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 benefits expense recognised in the statement of profit and loss (including other comprehensive income) and the amount recognised in the statement of assets and liabilities for the respective period.

i) Reconciliation of opening and closing balances of the present value of the defined benefit obligation:

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	35.03	29.08
Current service cost	11.86	8.64
Interest cost	2.41	1.96
Benefit payments from employer	-	(4.02)
Actuarial loss / (gain) arising from:		
- demographic assumptions	(0.51)	-
- financial assumptions	(0.44)	1.20
- experience adjustment	(1.91)	(1.82)
Balance at the end of the year	46.44	35.03

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	46.44	35.03
Net defined benefit liability / (asset)	46.44	35.03

iii) Amounts recognised in profit or loss

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Current service cost	11.86	8.64
Interest expense on defined benefit obligation	2.41	1.96
Expenses recognised in the statement of profit or loss	14.27	10.60

iv) Amounts recognised in the other comprehensive income

Particulars	For the year ended March 31, 2026	For the year ended March 31, 2025
Remeasurement loss (gain):		
- Actuarial loss (gain) arising from:		
- demographic assumptions	(0.51)	-
- financial assumptions	(0.44)	1.20
- experience adjustment	(1.91)	(1.82)
Total actuarial (gain)/loss included in OCI	(2.86)	(0.62)



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	14.27	10.60
Remeasurement effect recognised in OCI	(2.86)	(0.62)
Net expense	11.42	9.97

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	4.03	1.69
Non current liability	42.42	33.33
Total liability	46.44	35.03

vii) Sensitivity analysis*

The following were the principal actuarial assumptions at the reporting date

Particulars	As at March 31, 2026	As at March 31, 2025
Discount rate	7.22%	6.89%
Salary escalation	7.00%	7.00%
Attrition rate	20.00%	10.00%
Mortality rate	NA	NA
Retirement age	58 Years	58 Years

viii) *Information on the maturity profile of the liabilities given below

Particulars	As at March 31, 2026	As at March 31, 2025
Five year payouts :-		
Year I	4.11	1.69
Year II	4.46	1.60
Year III	2.98	2.46
Year IV	5.36	1.39
Year V	2.43	4.58
Next 5 year pay-outs (6-10 years)	6.49	5.22
Pay-outs above ten years	20.59	18.08
Vested benefit obligations	31.18	25.07

Note:

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



44 Disclosure on financial instruments

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

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the standalone 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 :				
Financial assets measured at amortised cost				
Trade receivables	19,752.35	19,752.35	14,440.76	14,440.76
Cash & cash equivalents	458.98	458.98	753.10	753.10
Bank balances other than cash and cash equivalents	3,113.11	3,113.11	982.73	982.73
Loans	448.46	448.46	-	-
Other financial assets	3,350.56	3,350.56	3,718.00	3,718.00
Financial assets measured at cost				
Investment in subsidiaries	1,917.10	1,917.10	126.56	126.56
Financial assets measured at fair value through profit or loss				
Investments in optionally convertible debentures of subsidiary	3,207.96	3,207.96	-	-
Total	32,248.53	32,248.53	20,021.15	20,021.15
Financial liabilities measured at amortised cost				
Borrowings	1,720.57	1,720.57	1,383.00	1,383.00
Lease liabilities	202.55	202.55	8.44	8.44
Trade payables	13,141.84	13,141.84	10,370.03	10,370.03
Other financial liabilities	640.67	640.67	590.79	590.79
Total	15,705.62	15,705.62	12,352.27	12,352.27

The management has assessed that trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, investments, borrowings, trade payables, lease liabilities 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.

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

Fair value hierarchy

All financial instrument for which fair value is measured or disclosed in the 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 financial instrument

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

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

44 Financial instrument- Fair values and risk management

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

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

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

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

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

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



1) Credit risk

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

a) Trade receivables

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

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

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

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

b) Provision for expected credit losses

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

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

Reconciliation of expected credit loss provision

Trade receivables:

Particulars	As at March 31, 2026	As at March 31, 2025
Balance at beginning of the year	118.84	128.40
Additional provisions recognised during the year	105.89	-
Provision reversed/utilised during the year	-	(9.56)
Balance at the end of the year	224.72	118.84

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	10,064.82	4,110.18
less than 180 days	2,023.64	4,353.48
181-365 days	2,757.03	3,236.36
More than 1 year	1,798.57	1,937.84
	3,333.02	921.74
Gross carrying amount	19,977.08	14,559.59
Expected credit loss	(224.72)	(118.84)
Net carrying amount	19,752.35	14,440.75

(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 - lease liabilities, trade payables and other financial liabilities.

The Company continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Company 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 liquidity position through forecasts on the basis of expected cash flows



Maturity profile of financial liabilities

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

Particulars	Carrying amount	Less than 1 year	1-5 years	More than 5 years	Total
As at March 31, 2026					
Borrowings	1,720.57	1,646.26	74.31	-	1,720.57
Lease liabilities	202.55	77.96	213.19	-	291.15
Trade payables	13,141.84	13,141.84	-	-	13,141.84
Other financial liabilities	640.67	640.67	-	-	640.67
As at March 31, 2025					
Borrowings	1,383.00	1,254.15	128.86	-	1,383.00
Lease liabilities	8.44	4.72	4.83	-	9.55
Trade payables	10,370.03	10,370.03	-	-	10,370.03
Other financial liabilities	590.79	590.79	-	-	590.79

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 regularly negotiates / adjust of sale prices on the basis of changes in commodity prices. The Company is not significantly impacted by commodity price risk.

(b) Interest rate risk

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

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

Particulars	As at March 31, 2026	As at March 31, 2025
Floating interest rate borrowings	128.84	210.37
Fixed rate borrowings	-	-
Total	128.84	210.37

(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 equity	
	As at March 31, 2026	As at March 31, 2025
Increase by 50 basis point	(0.64)	(1.05)
Decrease by 50 basis point	0.64	1.05

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

(4) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in exchange rates. The Company's exposure to the risk of changes in exchange rates relates primarily to the company's operations in foreign subsidiaries.

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

The following table sets forth information relating to foreign currency exposure (other than risk arising from derivatives) contract as of:

Particulars	As at March 31, 2026	As at March 31, 2025
(a) Financial liabilities	7.85	57.88

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

Change in assumption	As at March 31, 2026		As at March 31, 2025	
	Impact on Company's net income before tax for financial assets	Impact on Company's net income before tax for financial liabilities	Impact on Company's net income before tax for financial assets	Impact on Company's net income before tax for financial liabilities
Appreciation in foreign currencies by 10%	-	0.78	-	5.79
Depreciation in foreign currencies by 10%	-	(0.78)	-	(5.79)



45 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
Borrowings (Non current)	74.31	128.86
Borrowings (Current)	1,646.26	1,254.15
Lease liability (Non current)	198.20	4.52
Lease liability (Current)	4.35	3.92
Less: Cash and cash equivalents including bank balances	(458.98)	(753.10)
Total debt (A)	1,464.13	638.35
Total equity (B)	19,704.22	9,834.65
Capital and net debt (C=A+B)	21,168.35	10,473.00
Gearing ratio A/C	6.92%	6.10%



46 Ratio analysis

S.no	Ratio	Nature	March 31, 2026	March 31, 2025	% Change	Explanation for any change in the ratio by more than 25% as compared to the March 31, 2026
1	Current ratio	Times	1.42	1.29	10.38%	Not Applicable
2	Debt-equity ratio	Times	0.09	0.14	-37.88%	The movement in the ratio is primarily attributable to an increase of shareholders equity pursuant to Initial Public Offer.
3	Debt service coverage ratio	Times	25.00	3.94	535.14%	The movement in the ratio is primarily attributable to an lower debt service obligations, particularly reduced due to repayment of borrowings.
4	Return on equity ratio	Percent	16.69%	34.04%	-50.97%	The movement in the ratio is primarily attributable to an increase of shareholders equity
5	Inventory turnover ratio	Times	29.37	28.47	3.18%	Not Applicable
6	Trade receivable turnover ratio	Times	1.00	1.90	-47.33%	The movement in the ratio is primarily attributable to an increase in trade receivables during the year
7	Trade payable turnover ratio	Times	1.04	1.85	-43.88%	The movement in the ratio is primarily attributable to an increase in trade payables during the year
8	Net capital turnover ratio	Times	3.02	7.79	-61.20%	The movement in the ratio is primarily attributable to an increase in average working capital during the year
9	Net profit ratio	Percent	14.41%	10.27%	40.23%	Due to higher profitability despite a decline in net sales during the year.
10	Return on capital employed	Percent	19.24%	38.72%	-50.31%	The movement in the ratio is primarily attributable to an increase of shareholders equity
11	Return on investment	Percent	5.27%	8.06%	-34.60%	The movement in the ratio is primarily attributable to an increase in investment during the year

Formula:

1	Current ratio = Current assets / Current liabilities
2	Debt-equity ratio = Total debt (including lease liability) / Shareholder's equity
3	Debt service coverage ratio = Earnings available for debt service / Debt service (including lease liability)
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



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

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

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

a) Letter of credit

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Outstanding letter of credit	26.92	413.01
Total	26.92	413.01

b) Contingent liabilities

Particulars	As at	As at
	March 31, 2026	March 31, 2025
Claims against the Company not acknowledged as debts:		
Income tax matters	81.70	81.70
Indirect tax matters	447.19	397.82
Civil matters	14.76	-
Total	543.65	479.53

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 standalone financial statements. The Management does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.



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

Year ended March 31, 2026

Quarter ending	Particulars of securities provided	Amount as per books of account (Rs. In million)	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
June 30,2025	Inventory	611.37	613.20	(1.83)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2025	Inventory	777.29	777.30	(0.01)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2025	Inventory	541.71	541.70	0.01	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2026	Inventory	724.56	724.60	(0.04)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2025	Trade receivables	18,302.45	17,071.70	1,230.75	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2025	Trade receivables	15,866.22	15,866.20	0.02	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2025	Trade receivables	22,480.63	22,480.60	0.03	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2026	Trade receivables	15,996.09	15,996.10	(0.01)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2025	Trade Payable	10,847.10	5,694.30	5,152.80	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2025	Trade Payable	11,655.67	11,655.70	(0.03)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2025	Trade Payable	12,061.05	12,061.10	(0.05)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2026	Trade Payable	13,141.84	13,141.80	0.04	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2025	Revenue	3,396.65	2,225.90	1,170.75	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2025	Revenue	3,421.11	4,591.80	(1,170.69)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2025	Revenue	5,419.95	5,419.90	0.05	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2026	Revenue	4,870.36	4,870.40	(0.04)	The difference is mainly due to reporting to banks are prior to quarterly closure of books



Year ended March 31, 2025

Quarter ending	Particulars of securities provided	Amount as per books of account (Rs. In million)	Amount as reported in the quarterly return/ statement	Amount of difference	Reason for material discrepancies
June 30,2024	Inventory	1,446.09	1,432.00	14.09	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2024	Inventory	1,421.60	1,421.60	-	NA
December 31,2024	Inventory	1,354.26	1,161.40	192.86	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2025	Inventory	440.29	1,155.30	(715.01)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2024	Trade receivables	8,948.79	9,823.70	(874.91)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2024	Trade receivables	13,470.86	13,791.20	(320.34)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2024	Trade receivables	14,191.35	14,375.70	(184.35)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2025	Trade receivables	11,494.70	9,469.10	2,025.60	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2024	Trade Payable	7,998.51	6,325.10	1,673.41	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2024	Trade Payable	8,886.72	7,758.60	1,128.12	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2024	Trade Payable	5,954.97	4,885.80	1,069.17	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2025	Trade Payable	10,370.03	10,580.40	(210.37)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
June 30,2024	Revenue	3,297.36	4,047.80	(750.44)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
September 30,2024	Revenue	7,412.62	7,412.80	(0.18)	The difference is mainly due to reporting to banks are prior to quarterly closure of books
December 31,2024	Revenue	4,153.59	4,134.60	18.99	The difference is mainly due to reporting to banks are prior to quarterly closure of books
March 31,2025	Revenue	7,246.21	7,125.00	121.21	The difference is mainly due to reporting to banks are prior to quarterly closure of books

50 Segment information

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



51 Material regrouping/reclassification

Appropriate regrouping/reclassification have been made in the standalone balance sheet, statement of cash flows wherever required, by reclassification of the corresponding items of assets and cash flows, in order to bring them in line with the accounting policies and classification as per the financial statements of the Company prepared in accordance with Schedule III (Division II) of the Act, requirements of Ind AS 1 - 'Presentation of financial statements' and other applicable Ind AS principles and the requirements of the Securities and Exchange Board of India (Issue of Capital & Disclosure Requirements) Regulations, 2018, as amended. The material regrouping has been disclosed as under.

Particulars	Head	Regrouping March 31, 2025
Assets	Trade receivables - current	(5,721.37)
		2,946.05
Assets	Trade receivables - Non current	
Assets	Other financial assets - current	2,358.60
Assets	Other financial assets - Non current	416.72

The above reclassifications have been made in the previous year, wherever necessary, to conform to the current year classification/disclosure and do not have any impact on the profit, hence, there is no change in the basic and diluted earnings per share of the previous years due to these re-groupings. These reclassifications do not have any impact on the other equity at the beginning of March 31, 2025.

- 52** During the current year, the Company issued 3,74,09,047 equity shares of Rs.2 each pursuant to an Initial Public Offer (IPO), aggregating to Rs.8,191.48 (including securities premium), comprising fresh issue of 55,080 shares issued to employees at Rs.199 per share (including share premium of Rs.197 per share) and 3,73,53,967 shares issued to other investors at Rs.219 per share (including share premium of Rs.217 per share) respectively. The equity shares of the Company were listed on BSE Limited ('BSE') and National Stock Exchange of India Limited ('NSE') on October 06, 2025.

The details of utilisation of IPO proceeds are as follows:

Object of the issue as per prospectus	Amount to be utilized as per prospectus	Utilized amount upto March 31, 2026	Unutilized amount upto March 31, 2026
Funding Capital Expenditure requirements for investment in the Subsidiary of the Company i.e., Pace Renewable Energies Private Limited, for setting up battery energy storage systems for a project awarded by the Maharashtra State Electricity Distribution Company Limited (Capital Expenditure)	6,300.00	4,172.72	2,127.28
General Corporate Purpose	1,158.34	1,149.11	9.23
Share issue expenses	733.14	712.42	20.72
Total	8,191.48	6,034.25	2,157.23

The unutilized amounts are lying in bank account of Rs. 2,156.72 million that includes the fund lying in the bank account of Rs. 727.75 million of subsidiary Company i.e Pace Renewable Energies Private Limited.

The above proceeds from the Initial public offer (IPO) were raised to meet the Company's working capital requirements, long-term financial requirements for Cap-expenditure and general corporate purposes.



53 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.

54 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. Audit trail feature in the said software along with the preservation of the same was not active during the year.

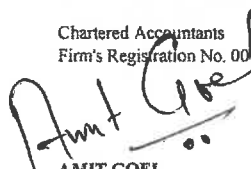
55 Subsequent event

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 standalone financial statements and 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 standalone financial statements

As per our report of even date attached
For S S Kothari Mehta & Co. LLP

Chartered Accountants
Firm's Registration No. 000756N/N500441

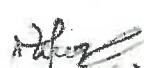


AMIT GOEL
Partner
Membership No. 500607
Place: Bangalore
Date: May 25, 2026

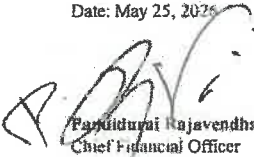


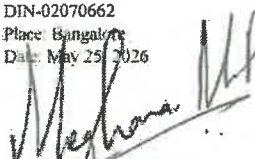
For and on behalf of the Board
Pace Digitek Limited

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


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


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


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


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



Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

1. Corporate information

Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) ("the Company") is a public company domiciled in India and was incorporated on March 1, 2007 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 has been converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the board meeting of the Company held on October 16, 2024 and consequently the name of the Company has been changed to Pace Digitek Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on November 19, 2024.

The Company has completed its Initial Public Offer (IPO) during the year and accordingly the Company is listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on October 06, 2025.

1.1. Statement of compliance and basis of preparation of standalone financial statements

a. Statement of Compliance

The Standalone 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 Standalone 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 "Standalone financial statements" or "financial statements").

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

b. Basis of Preparation and Presentation

The standalone 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 standalone financial statements on the basis that it will continue to operate as a going concern. These standalone 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.



Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

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
- 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 standalone financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these standalone financial statements, unless otherwise stated.

2.1. Property, plant and equipment

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

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

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

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

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

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

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

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



Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

Office equipment	5 years
------------------	---------

2.2 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any. The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives.

All other repair and maintenance costs are recognised in profit or loss as incurred. Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

Transfers are made to (or from) investment properties only when there is a change in use. Transfer between investment property and owner occupied property do not change the carrying amount of the property transferred and they do not change the cost of that property for measurement or disclosure purpose.

2.3 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangibles, excluding capitalised development cost, are not capitalised and the related expenditure is reflected in profit and loss in the period in which the expenditure is incurred.

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

Intangible asset arising from a service concession arrangement refer section 2.17 Service Concession arrangements.

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

Assets	Useful Life
Software (Bought out)	3 year
Right of infrastructure development	25 year

2.3 Impairment of non- financial assets

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

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



Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

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

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

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

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

2.4 Financial instruments

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

Initial recognition and measurement

(i) Financial Assets

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

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

Subsequent measurement

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

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

Financial assets at amortised cost (debt instruments)

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



Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

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:

- 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.



Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

CIN: L31909KA2007PLC041949

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

*(Amounts are ₹ in million unless otherwise stated)***(ii) Financial liabilities:**

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

Subsequent measurement

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

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

Financial liabilities at amortised cost (Loans and borrowings)

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

Trade Payables

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

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

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



Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

b) Method of Valuation:

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

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

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

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

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

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

2.6 Taxes on Income

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

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

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

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

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

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

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

2.7 Revenue from contract with customers



Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

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

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

Revenue from sales of products

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

Revenue from sales of services

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

Warranty obligations

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

Significant Financing Components

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

Revenue from construction/project related activity

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

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is subject to many variables and requires significant judgement. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes



Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

Revenue from operation and maintenance

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

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

Revenue arising from a service concession arrangement refer section 2.17 Service Concession arrangements.

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).

2.8 Other Income

Interest Income from bank deposits and loan

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

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

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

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



Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

Defined benefit plan - Gratuity

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

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

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

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

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

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

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

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

2.10 Leases

Company as a lessee

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

(i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-



Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

(ii) Lease Liabilities

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

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

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

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

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

(iv) Company as a lessor

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

2.11 Earnings Per Share

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

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

2.12 Borrowing Costs

Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

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

2.13 Cash and cash equivalents

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

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

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liabilities

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

Contingent assets

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

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

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

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

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

2.16 Fair value measurement

Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

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

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

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

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

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

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

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

2.17 Service Concession arrangements

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

Revenue

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

Intangible assets

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

Determination of fair value

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

2.18 Segment Reporting

Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

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

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

2.19 Key accounting judgments, estimates and assumptions

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

a) Company as a lessee

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

b) Company as a lessor

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

c) Defined benefit plans

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

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

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

d) Impairment of financial assets

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

e) Impairment of non-financial assets



Pace Digitek Limited**(Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited)**

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

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

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

f) Provision for warranty

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

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

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

2.18 Recent accounting pronouncements

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

Amendments to Ind AS 21 - Lack of exchangeability

On 09 May 2025, Ministry of Corporate Affairs (MCA) notifies the amendments to Ind AS 21 - Effects of Changes in Foreign Exchange Rates. These amendments aim to provide clearer guidance on assessing currency exchangeability and estimating exchange rates when currencies are not readily exchangeable. The amendments are effective for annual periods beginning on or after April 01, 2025.

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

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

- a) What is meant by a right to defer settlement
- b) That a right to defer must exist at the end of the reporting period
- c) That classification is unaffected by the likelihood that an entity will exercise its deferral right



Pace Digitek Limited

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

CIN: L31909KA2007PLC041949

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

(Amounts are ₹ in million unless otherwise stated)

d) That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

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

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

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

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

2.16 Standards issued but not yet effective

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

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.

