



Bharat J. Rughani & Co.

Chartered Accountants

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Independent Auditor's Report

To the Members of

GK Energy Limited

(formerly GK Energy Private Limited, GK Energy Marketers Private Limited)

Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the accompanying Standalone Financial Statements of **GK Energy Limited (formerly GK Energy Private Limited, GK Energy Marketers Private Limited)** (CIN: L74900PN2008PLC132926) ("the Company"), which comprise the Balance Sheet as at **31st March 2026**, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the Standalone Financial Statements, including a summary of significant accounting policies.

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 prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS"), and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2026, and its profit, total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the 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 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 the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.



Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the Standalone Financial Statements of the current year. 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
Refer Note 7 — Trade Receivables, Note 2.3(c) and 2.9 — Impairment of Financial Assets, and Note 52 — Financial Instruments: Risk Management, to the Standalone Financial Statements As at March 31, 2026, the Company's trade receivables aggregated to ₹5,907.61 million, net of allowance for expected credit losses of ₹46.88 million, resulting in a net carrying amount of ₹5,860.73 million representing a significant portion of the Company's total assets. A substantial part of these receivables is due from State Nodal Agencies and government instrumentalities in respect of solar-powered pump systems installed under the PM-KUSUM Scheme and other government-sponsored programmes, where realisation is linked to inspection, verification and commissioning-related processes and to the release of payments by the relevant authorities and can accordingly involve extended collection periods. The assessment of recoverability of these receivables and the measurement of the allowance for expected credit losses under Ind AS 109 involve significant management judgement. The Company applies the simplified approach and measures lifetime expected credit losses using a provision matrix based on the ageing of receivables, historical credit loss experience and counterparty profile, adjusted for forward-looking information, and evaluates the	Our audit procedures in relation to the recoverability of trade receivables included, among others, the following: • Obtained an understanding of the Company's processes and evaluated the design and tested the operating effectiveness of internal controls over billing, collection monitoring, ageing of receivables and the estimation of the allowance for expected credit losses; • Evaluated the appropriateness of the Company's accounting policy for impairment of financial assets and the expected credit loss methodology (including the provision matrix) with reference to the requirements of Ind AS 109; • Tested, on a sample basis, the ageing and existence of trade receivables to underlying invoices, installation and commissioning records, and demand/claim submissions made to the State Nodal Agencies; • Since independent balance confirmations are not customarily provided by State Nodal Agencies and other government counterparties, performed alternative procedures, including testing of collections received subsequent to the year-end against outstanding balances as at March 31, 2026;



recoverability of long-outstanding balances and of amounts subject to deductions or reconciliations with the government agencies. Considering the magnitude of the amounts involved, the concentration of receivables with government counterparties and the significant judgement involved in estimating expected credit losses, we have determined this to be a key audit matter.	- Assessed the historical accuracy of management's estimates by comparing allowances made in earlier periods with actual write-offs and subsequent recoveries; - Evaluated management's consideration of forward-looking factors, including the status of budgetary allocations and disbursements under the relevant government schemes, and of any deductions or disallowances raised by the counterparties; and - Assessed the adequacy and appropriateness of the related disclosures in the Standalone Financial Statements, including the ageing schedule and credit risk disclosures in Notes 7 and 52. Based on the above procedures, we did not identify any material exceptions in management's assessment of the recoverability of trade receivables and the related allowance for expected credit losses.
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Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Annual Report (including the Director's Report, Management Discussion and Analysis, Corporate Governance Report), but does not include the Standalone Financial Statements and our auditor's report thereon.

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

In connection with our audit of the Standalone Financial Statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the Standalone Financial Statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is 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, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The 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 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 based on these Standalone Financial Statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- 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 financial controls relevant to the audit 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 made by the management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Standalone Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Standalone Financial Statements, including the disclosures, and whether the Standalone Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Standalone Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Standalone Financial Statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the Standalone Financial Statements.

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

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



Report on Other Legal and Regulatory Requirements

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

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c) The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the aforesaid Standalone Financial Statements comply with the Ind AS specified under Section 133 of the Act;
- e) On the basis of written representations received from the directors as on 31st March 2026, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2026 from being appointed as a director in terms of Section 164(2) of the Act;
- f) With respect to the adequacy of the internal financial controls with reference to Standalone Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A". 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;
- g) In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V to the Act;
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - o The Company has disclosed the impact of pending litigations on its financial position in its Standalone Financial Statements. Refer Note 33 to the Standalone Financial Statements.



- The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company;
- (a) The Management has represented that, to the best of its knowledge and belief, as disclosed in the Note No.60 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, 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 the Note No. 61 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, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(c) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e), as provided under (a) and (b) above, contain any material misstatement.

- The Company has not declared or paid any dividend during the year and has not proposed final dividend for the year ended March 31,2026.
- Based on our examination, which included test checks, the Company has used an accounting software for maintaining its books of account for the year ended March 31, 2026, which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of the audit trail feature being tampered with. Additionally, the audit trail has been preserved by the Company as per the statutory requirements for record retention.



2. As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For Bharat J Rughani & Co.
Chartered Accountants
FRN: 101220 W



Bharat Rughani
Partner
Membership No: 040543
Place: Mumbai
Date: May 13, 2026
UDIN: 26040543JXYTQI5975

ANNEXURE "A" TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

Report on the Internal Financial Controls with reference to Standalone Financial Statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to Standalone Financial Statements of **GK Energy Limited** (formerly GK Energy Private Limited, GK Energy Marketers Private Limited) ("the Company") as at 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 Responsibility for Internal Financial Control

The Company's management is responsible for establishing and maintaining internal financial controls with reference to Standalone Financial Statements based on the internal control with reference to Standalone Financial Statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. 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 the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to Standalone Financial Statements of the Company based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls with reference to Standalone Financial Statements. 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 Standalone Financial Statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls with reference to Standalone Financial Statements and their operating effectiveness. Our audit of internal financial controls with reference to Standalone



Financial Statements included obtaining an understanding of 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 control with reference to Standalone Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of Standalone Financial Statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to 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 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 authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to 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 control 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, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference

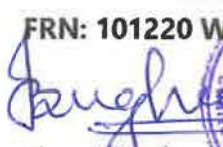


to Standalone Financial Statements and such internal financial controls with reference to Standalone Financial Statements were operating effectively as at March 31, 2026, based on the criteria for internal financial control with reference to Standalone Financial Statements established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Bharat J Rughani & Co.

Chartered Accountants

FRN: 101220 W


Bharat Rughani
Partner



Membership No: 040543

Place: Mumbai

Date: May 13, 2026

UDIN: 26040543JXYTQI5975

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

(Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' section of our report to the members of GK Energy Limited (formerly GK Energy Private Limited, GK Energy Marketers Private Limited) on the accounts for the year ended 31st March 2026)

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

- (i) In respect of the Company's Property, Plant and Equipment and Intangible Assets:
 - a.
 - i. The Company has maintained proper records showing full particulars, including quantitative details and situation, of Property, Plant and Equipment.
 - ii. The Company has maintained proper records showing full particulars of intangible assets.
 - b. The Property, Plant and Equipment are physically verified by the Management according to a phased program designed to cover all the items over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, a portion of the Property, Plant and Equipment has been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
 - c. 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 favour of the lessee) as disclosed in Note No. 3 to the Standalone Financial Statements, are held in the name of the Company.
 - d. The Company has not revalued its Property, Plant and Equipment or intangible assets or both during the year. Consequently, the question of our commenting on whether the revaluation is based on the valuation by a Registered Valuer, or specifying the amount of change, if the change is 10% or more in the aggregate of the net carrying value of each class of Property, Plant and Equipment or intangible assets does not arise.
 - e. Based on the information and explanations furnished to us, no proceedings have been initiated on the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and Rules made thereunder, and therefore the question of our commenting on whether the Company has appropriately disclosed the details in its Standalone Financial Statements does not arise.
- (ii) In respect of Company's Inventories:



- a. The physical verification of inventory has been conducted at reasonable intervals by the Management during the year and, in our opinion, the coverage and procedure of such verification by Management is appropriate. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory and have been appropriately dealt with in the books of account.
- b. As per information and examination, the Company has been sanctioned working capital limits in excess of ₹5 crore, in aggregate, from banks and financial institutions on the basis of security of current assets. The quarterly returns or statements filed by the Company with such banks are in agreement with the books of account of the Company. The details of the same are disclosed in Note 20 to the financial statements.

(iii)

- a. During the year, the Company has provided loans and stood guarantee to its subsidiary company as follows:

(₹ in million)

Particulars	Loans	Guarantees
Aggregate amount granted/ provided during the year		
- Subsidiaries	167.05	130.00
- Others		
Balance outstanding as at balance sheet date in respect of the above cases		
- Subsidiaries	-	130.00
- Others	-	-

- b. According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion, the terms and conditions of the grant of all loans during the year were prima-facie, not prejudicial to the interest of the Company.
- c. In respect of loans granted or advances in the nature of loans provided by the Company, the schedule of repayment of principal and payment of interest has not been stipulated and is repayable on demand. Accordingly, the requirement to report for regularity of repayment of principal and payment of interest in respect of such loans is not applicable.
- d. There are no amounts of loans and advances in the nature of loans granted by the Company which are overdue for more than ninety days.



- e. There were no loans or advance in the nature of loan granted by the Company which was fallen due during the year, that have been renewed or extended or fresh loans granted to settle the overdue of existing loans given to the same parties.
- f. As disclosed in Note No. 32, to the Standalone Financial Statements, the Company has granted loans or advances in the nature of loans, either repayable on demand or without specifying any terms or year of repayment. Of these following are the details of the aggregate amount of loans or advances in the nature of loans granted to promoters or related parties as defined in clause (76) of Section 2 of the Companies Act, 2013:

(₹ in million)

Particulars	Related Parties	Promoters
Aggregate amount of loans/ advances in nature of loans - Repayable on demand	167.05	-
Percentage of loans/ advances in nature of loans to the total loans	100%	-

- (iv) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans granted and guarantees provided to its wholly owned subsidiary.
- (v) The Company has not accepted any deposit or amounts which are deemed to be deposits. Hence, reporting under clause (v) of the Order is not applicable.
- (vi) The maintenance of cost records has not been specified for the activities of the Company by the Central Government under section 148(1) of the Companies Act, 2013.
- (vii) In respect of statutory dues:
- a. According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues, including provident fund, employees' state insurance, income tax, duty of customs, value added tax, goods and services tax and other material statutory dues, as applicable, with the appropriate authorities.



There were no undisputed amounts payable in respect of Goods and Service tax, Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, duty of Custom, duty of Excise, Value Added Tax, Cess and other material statutory dues in arrears as at March 31, 2026 for a period of more than six months from the date they became payable.

- b. Details of statutory dues referred to in sub-clause (a) above which have not been deposited as on March 31, 2026 on account of disputes are given below:

(₹ in million)

Particulars	Financial Year	Forum where Dispute is Pending	Nature of Dues	Amount Involved	Amount Paid (In Protest)
The Central Goods and Service Tax Act, 2017	18-19	Assistant Commissioner	Goods & Services Tax	2.79	0
The Central Goods and Service Tax Act, 2017	19-20	Joint Commissioner	Goods & Services Tax	1.69	0.15
The Central Goods and Service Tax Act, 2017	19-20	Assistant Commissioner	Goods Services Tax	0.38	0.02
The Central Goods and Service Tax Act, 2017	25-26	Joint Commissioner	Goods & Services Tax	47.52	47.52

- (viii) There were no transactions relating to previously unrecorded income that were surrendered or disclosed as income in the tax assessments under the Income Tax Act, 1961 (43 of 1961) during the year.

- (ix) In respect of its borrowings:

- In our opinion, the Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.
- The Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.
- To the best of our knowledge and belief, in our opinion, term loans availed by the Company were, applied by the Company during the year for the purposes for which the loans were obtained,



- d. On an overall examination of the Standalone Financial Statements of the Company, funds raised on short-term basis have, prima-facie, not been used during the period for long-term purposes by the Company.
- e. The Company has not taken any funds from any entity or person for the purpose of meeting the obligations of its subsidiary.
- f. Further, the Company has not raised loans during the year on the pledge of securities held in its subsidiary. Accordingly, reporting under (f) of the Order is not applicable.
- (x) a. In our opinion and according to the information and explanations given to us, the Company has, during the year, raised moneys by way of an initial public offer of its equity shares aggregating to ₹4,000.00 million by way of fresh issue (after the Pre-IPO Placement of ₹999.99 million, which is reported under paragraph (x)(b) below). The proceeds have been applied for the objects stated in the Prospectus, namely funding the working capital requirements of the Company and general corporate purposes, other than the amounts remaining unutilised as at the balance sheet date, details of which are set out below. The unutilised amount as at the balance sheet date represents offer-related expenses remaining payable, and pending such application has been kept in fixed deposits with, and current accounts of, scheduled commercial banks. There has been no deviation or variation in the use of the IPO proceeds from the objects stated in the Prospectus, as also confirmed by the reports of the monitoring agency, CARE Ratings Limited, and reviewed by the Audit Committee of the Company.

(₹ in million)

Nature of fund raised	Purpose per Prospectus	Total amount raised	Amount utilised up to March 31, 2026	Unutilised balance as at March 31, 2026
Initial Public Offer (Fresh Issue)	Funding working capital requirements	3,224.58	3,224.58	-
	General corporate purposes*	464.85	464.85	
	Offer-related expenses	310.57	199.89	110.68
Total		4,000.00	3,889.32	110.68

* The company in accordance with the resolution duly passed by the IPO Committee at its meeting held on October 13, 2025 and thereafter ratified by the Board of directors at its meeting held on November 14, 2025, has approved, inter alia, the tax-related payments within the scope of the General Corporate Purposes.



b. According to the information and explanations given to us, the Company has utilized the funds raised by the way of preferential allotment for the purpose for which they were raised. The details of the same are as follows:

(₹ in million)

Nature of Securities allotted	Purpose for which funds were raised	Total amount raised	Amount utilized for other purposes	Un-utilized balance as at March 31, 2026
Equity Shares	Working Capital	999.99	-	-

- (xi) In respect of frauds:
- To the best of our knowledge, no fraud by the Company and no material fraud on the Company has been noticed or reported during the period.
 - To the best of our knowledge, no report under sub-section (12) of section 143 of the Companies Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period and up to the date of audit report.
 - As represented to us by the Management, there were no whistle blower complaints received by the Company during the period and upto the date of this report.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the Order is not applicable.
- (xiii) In our opinion and based on the information and explanations given to us, the transactions with the related parties are in compliance with Sections 177 and 188 of the Companies Act, 2013, where applicable, and the details of the related party transactions have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us, the company does have an internal audit system as per section 138 of the Companies Act, 2013, commensurate with the size of the Company and the nature of its business. We have considered the internal audit report of the company issued till date for the year under audit which has highlighted no major discrepancies.
- (xv) In our opinion during the period the Company has not entered any non-cash transactions with its directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.



- (xvi) In respect of registration u/s 45-IA:
- In our opinion, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi)(a) of the Order is not applicable.
 - In our opinion, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the period. Therefore, the provisions of clause 3(xvi)(b) of the Order are not applicable to the Company.
 - In our Opinion, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Therefore, the provision for clause 3(xvi)(c) of the Order are not applicable to the Company.
 - According to the representations given to us, there is no CIC as part of the Group. We have not, however, separately evaluated whether the information provided by the management is accurate and complete. Therefore, the provisions of clause (xvi)(d) of the Order are not applicable to the Company.
- (xvii) The Company has not incurred cash loss during the current period. Therefore, provisions of clause 3(xvii) of the Order are not applicable to the Company.
- (xviii) There has been no resignation of the statutory auditors of the Company during the period.
- (xix) According to the information and explanations given to us and on the basis of the financial ratios as per Note No. 59 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 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) In respect of other than ongoing projects, there are no unspent amount that are required to be transferred to a fund specified in Schedule VII of the Companies Act (the Act), in compliance with second proviso to sub section 5 of section 135 of the



Act. This matter has been disclosed in Note No. 48 to the standalone financial statement of the company. In respect of ongoing projects, the Company has transferred the unspent CSR amount of ₹16.57 million to a special account within a period of thirty days from the end of the financial year, in compliance with sub-section (6) of section 135 of the Act.

For Bharat J Rughani & Co.

Chartered Accountants

FRN: 101220 W


Bharat Rughani
Partner

Membership No: 040543

Place: Mumbai

Date: May 13, 2026

UDIN: 26040543JXYTQI5975

STANDALONE BALANCE SHEET

		As at		(₹ in millions)
Shareholders' Funds		March 31, 2026	March 31, 2025	
ASSETS				
Non-current assets				
Property plant and equipment and intangible assets				
Property, plant and equipment	3a	1,050.23	130.82	
Right to use of asset	3b	-	1.49	
Intangible assets	3c	4.83	7.38	
Capital work-in-progress	3d	-	-	
Financial assets				
Investments	4	50.00	1.00	
Other financial assets	5	115.33	125.68	
Deferred Tax Assets	17	-	0.26	
Total non-current assets		1,220.39	266.63	
Current assets				
Inventories	6	581.84	599.35	
Financial assets				
Trade receivables	7	5,860.73	3,608.50	
Cash and cash equivalents	8	3,354.77	10.26	
Other bank balances	9	1,078.00	616.97	
Other financial assets	10	34.01	53.52	
Loans	11	-	20.00	
Other current assets	12	864.15	661.10	
Total current assets		11,773.50	5,569.70	
TOTAL ASSETS		12,993.89	5,836.33	
EQUITY AND LIABILITIES				
Equity				
Equity share capital	13a	405.63	340.28	
Other equity	13b	8,440.72	1,750.79	
		8,846.35	2,091.07	
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	14	152.88	123.66	
Lease Liability	15	-	1.18	
Other financial liabilities	16	-	4.62	
Deferred tax liabilities (Net)	17	2.05	-	
Provisions	18	2.07	1.46	
Other non-current liabilities	19	-	-	
Total non-current liabilities		157.00	130.92	
Current liabilities				
Financial liabilities				
Borrowings	20	1,873.74	2,054.23	
Lease Liability	21	-	0.39	
Trade payables				
Dues of micro and small enterprise	22	80.08	22.15	
Other than dues of micro and small enterprise	22	1,268.74	1,150.41	
Other financial liabilities	23	630.80	314.11	
Provisions	24	92.33	40.52	
Other current liabilities	25	44.85	32.53	
Total current liabilities		3,990.54	3,614.34	
TOTAL EQUITY AND LIABILITIES		12,993.89	5,836.33	

Summary of significant accounting policies.

The notes are an integral part of these financial information.

For Bharat J. Rughani & Co

Chartered Accountants

Firm Registration No: 10122804

CA Bharat J. Rughani
Partner
Membership No. 040543
Date : - May 13, 2026
Place :- Pune
UDIN: 26040543JXYTQI5975



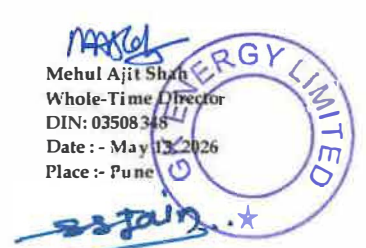
For and on Behalf of the Board of Directors of GK Energy Limited
(Formerly GK Energy Private Limited,
GK Energy Marketers Private Limited) .

Gopal Kabra
Managing Director & CEO
DIN: 02343128
Date : - May 13, 2026
Place :- Pune

Sunil Kamalkishor Malu
Chief Financial Officer
Date : - May 13, 2026
Place :- Pune

Mehul Ajit Shah
Whole-Time Director
DIN: 03508348
Date : - May 13, 2026
Place :- Pune

Shubham Suresh Jain
Company Secretary and
Compliance Officer
Membership No. A76578
Date : - May 13, 2026
Place :- Pune



STANDALONE STATEMENT OF PROFIT AND LOSS

Particulars	Note No	(₹ in millions)	
		Year Ended March 31, 2026	Year Ended March 31, 2025
INCOME			
Revenue from operations	26	15,325.41	10,948.27
Other income	27	94.85	43.55
Total income		15,420.26	10,991.82
EXPENSES			
Cost of goods sold	28	9,866.00	7,026.90
Purchases of stock in trade		163.92	7.11
Employee benefit expenses	29	285.55	180.01
Finance cost	30	395.28	223.45
Depreciation and amortization	3a	37.31	14.20
Other expenses	31	1,972.94	1,737.34
Total expenses		12,721.00	9,189.01
Profit before exceptional items and tax		2,699.26	1,802.81
Exceptional items		-	-
Profit before tax		2,699.26	1,802.81
Tax expenses			
Current tax		684.17	462.09
Deferred tax charge/(credit)		2.36	(7.19)
Earlier year adjustments		-	15.68
Total tax expenses		686.53	470.58
Profit for the year		2,012.73	1,332.23
Other Comprehensive Income			
Items that will not be reclassified to Profit or Loss			
Remeasurements of defined benefit plans		(0.21)	(0.06)
Income tax relating to items that will not be reclassified to profit or loss		0.05	0.02
Total other comprehensive income (net of tax)		(0.16)	(0.04)
Comprehensive income for the year		2,012.57	1,332.19
Earning per equity share (EPS)			
Basic [nominal value of ₹ 2/- each*]		10.74	7.87
Diluted [nominal value of ₹ 2/- each*]		10.74	7.87

*Face value reduced from ₹ 10 to ₹ 2 as a result of subsequent event of split and issue of bonus shares. Refer Note 49

Summary of significant accounting policies

2

The accompanying notes are an integral part of the financial statements

For Bharat J. Rughani & Co
Chartered Accountants
Firm Registration No: 101220W

CA Bharat J. Rughani
Partner
Membership No. 040543
Date : - May 13, 2026
Place :- Pune
UDIN: 26040543JXYTQIS975



For and on Behalf of the Board of Directors of GK Energy Limited
(Formerly GK Energy Private Limited,
GK Energy Marketers Private Limited)

Gopal Kabra
Managing Director & CEO
DIN: 02343128
Date : - May 13, 2026
Place :- Pune

Sunil Kamalkishor Malu
Chief Financial Officer
Date : - May 13, 2026
Place :- Pune

Mehul Ajit Shah
Whole-Time Director
DIN: 03508348
Date : - May 13, 2026
Place :- Pune

Shubham Suresh Jain
Company Secretary and
Compliance Officer
Membership No. A76578
Date : - May 13, 2026
Place :- Pune



GK ENERGY LIMITED

(Formerly GK Energy Private Limited, GK Energy Marketers Private Limited)

CIN: L74900PN2008PLC132926

Registered Office: 1901, Tower A, Gokhale Business Bay, Paschimnagri, Kothrud, Pune - 411038 (MH)

STANDALONE STATEMENT OF CASH FLOW

Particulars	(₹ in millions)	
	Year Ended March 31, 2026	Year Ended March 31, 2025
Cash flow from operating activities		
Profit before tax	2,699.26	1,802.81
Non-cash / other adjustment to reconcile profit before tax to net cash flows		
Depreciation and amortization	37.31	14.20
Provision for Expected Credit Loss	36.36	12.25
Changes in lease liabilities	(0.70)	(0.13)
Finance cost	395.28	223.45
Interest income	(94.67)	(43.27)
Operating profit before working capital changes	3,072.84	2,009.31
Movements in working capital		
Increase / (decrease) in other financial liabilities - non-current	(4.62)	(7.23)
Increase / (decrease) in other non-current liabilities	-	-
Increase / (decrease) in other provisions non-current	0.40	0.20
Increase / (decrease) in trade payables	176.26	505.81
Increase / (decrease) in other financial liabilities current	316.69	222.69
Increase / (decrease) in other liabilities current	24.03	(73.51)
Increase / (decrease) in provisions current	0.01	(0.01)
Decrease / (increase) in other financial assets non-current	10.35	(23.39)
Decrease / (increase) in inventories	17.51	(401.72)
Decrease / (increase) in trade receivables and other assets	(2,288.59)	(2,101.59)
Decrease / (increase) in other financial assets current	19.51	(42.12)
Decrease / (increase) in loans	20.00	(20.00)
Decrease / (increase) in other current assets	(203.05)	(555.23)
Cash generated from / (used in) operations	1,161.34	(486.79)
Direct taxes paid (net of refunds)	(632.37)	(499.34)
Net cash flow from / (used in) operating activities (a)	528.97	(986.13)
Cash flows from investing activities		
Purchase of property, plant and equipment (including capital work in progress)	(953.83)	(46.53)
Sale of Assets	0.01	-
Discontinuation Right to use of asset	1.14	-
Sale of investments	-	-
Investments	(49.00)	(1.00)
Decrease / (increase) in other bank balances	(461.03)	(526.74)
Interest received	94.67	43.27
Net cash flow from / (used in) investing activities (b)	(1,368.04)	(531.00)
Cash flows from financing activities:		
Proceeds from issue of shares	65.35	2.28
Proceeds from securities premium	4,677.36	197.02
Proceeds from long-term borrowings	552.80	28.47
(Repayment) of long-term borrowings	(523.58)	(67.73)
Proceeds from short-term borrowings	2,082.80	2,251.24
(Repayment) of short-term borrowings	(2,263.29)	(657.46)
Proceeds from loan from related parties	900.29	(9.55)
(Repayment) of loan from related parties	(912.00)	-
Increase / (decrease) in lease liabilities	(0.87)	(0.27)
Finance cost	(395.28)	(223.45)
Net cash flow from / (used in) in financing activities (c)	4,183.58	1,520.55
Net increase / (decrease) in cash and cash equivalents (a + b + c)	3,344.51	3.42
Cash and cash equivalents at the beginning of the year	10.26	6.84
Cash and cash equivalents at the end of the year	3,354.77	10.26
Components of cash and cash equivalents		
Cash on hand	7.72	7.14
Balances with banks - on current account	1,894.00	3.12
Balances with Bank on Fixed Deposits	1,453.05	-
Total cash and cash equivalents	3,354.77	10.26



GK ENERGY LIMITED(Formerly GK Energy Private Limited, GK Energy Marketers Private Limited)
CIN: L74900PN2008PLC132926

Registered Office: 1901, Tower A, Gokhale Business Bay, Paschimnagri, Kothrud, Pune - 411038 (MH)

STANDALONE STATEMENT OF CASH FLOW

Particulars	(₹ in millions)			
	As at March 31, 2025	Cash Flow changes	Non-cash Changes	As at March 31, 2026
Non-current borrowings (including current maturities of non-current borrowings)	147.49	147.94	(2.21)	293.22
Current borrowings (excluding current maturities of non-current borrowings)	2,030.40	(297.00)	-	1,733.40
Lease liability	1.57	(0.87)	(0.70)	-
Closing balance	2,179.46	(149.93)	(2.91)	2,026.62

Particulars	(₹ in millions)			
	As at March 31, 2024	Cash Flow changes	Non-cash Changes	As at March 31, 2025
Non-current borrowings (including current maturities of non-current borrowings)	302.44	(143.92)	(11.03)	147.49
Current borrowings (excluding current maturities of non-current borrowings)	320.43	1,709.97	-	2,030.40
Lease liability	1.84	(0.27)	-	1.57
Closing balance	624.71	1,565.78	(11.03)	2,179.46

For Bharat J. Rughani & Co
Chartered Accountants
Firm Registration No: 101220WCA Bharat J. Rughani
Partner
Membership No. 040543
Date : - May 13, 2026
Place :- Pune
UDIN: 26040543JXYTQI5975For and on Behalf of the Board of Directors of GK Energy Limited
(Formerly GK Energy Private Limited,
GK Energy Marketers Private Limited)Gopal Katre
Managing Director & CEO
DIN: 02343128
Date : - May 13, 2026
Place :- PuneSunil Kamalkishor Malu
Chief Financial Officer
Date : - May 13, 2026
Place :- PuneMehul Ajit Shah
Whole-Time Director
DIN: 03508348
Date : - May 13, 2026
Place :- PuneShubham Suresh Jain
Company Secretary and
Compliance Officer
Membership No. A76578
Date : - May 13, 2026
Place :- Pune

GK ENERGY LIMITED

(Formerly GK Energy Private Limited, GK Energy Marketers Private Limited)

CIN: L74900PN2008PLC132926

Registered Office: 1901, Tower A, Gokhale Business Bay, Paschimnagri, Kothrud, Pune - 411038 (MH)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**1 NATURE OF BUSINESS**

GK Energy Limited (formerly known as GK Energy Private Limited, GK Energy Marketers Private Limited) ("the Company") is a public Company domiciled in India and incorporated under the provisions of the Companies Act, 2013 (The Act). The Company is primarily into the business of design, manufacture, supply, transport, installation, testing and commissioning of decentralized solar systems primarily focused on Solar Photovoltaic Water Pumping Systems popularly known as Solar Agricultural Pumps and other ancillary Services. In addition, the Company sells photovoltaic cells and solar modules manufactured by third parties.

The Company Financial Statements for the year ended March 31, 2026 was authorized by the Board of Directors in accordance with their resolution passed on May 13, 2026

2 SIGNIFICANT ACCOUNTING POLICIES**2.1 Basis of preparation of financial statements**

The Standalone Financial Statements of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) prescribed under section 133 of the Companies Act 2013, read with Companies (Indian Accounting Standard) Rules, 2015 as amended time to time.

The accounting policies have been consistently applied by the Company in preparation of the Standalone Financial Information and are consistent with those adopted in the preparation of the Ind AS financial statements.

2.2 Basis of preparation and presentation

The Financial Information have been prepared on a historical cost basis considering the applicable Act except the following material items that have been measured at fair value as required by relevant Ind AS. Nevertheless, historical cost is generally based at the fair value of the consideration given in exchange for goods and services.

The Financial Information are presented in Indian Rupee (₹) and all values are rounded to the Rupee in millions, unless otherwise stated. Whenever the Company changes the presentation or classification of items in its financial information materially, the Company reclassifies comparative amounts, unless impracticable.

2.3 Use of Estimate and judgment

In the application of accounting policy which are described in notes below, the management is required to make judgment, estimates and assumptions about the carrying amount of assets and liabilities, income and expenses, contingent liabilities and the accompanying disclosures that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant and are prudent and reasonable. Actual results may differ from those estimates.

The estimates and underlying assumptions are reviewed on ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised if the revision affects only that period, or in the period of revision and future periods if the revision affects both current and future period.

The few critical estimations and judgments made in applying accounting policies are:

a Property, Plant and Equipment:

Useful life of Property Plant and Equipment and Intangible Assets are as specified in Schedule II to the Act, and on certain intangible assets based on technical advice which considered the nature of the asset, the usage of the asset and anticipated technological changes.

b Impairment of Non-financial Assets:

For calculating the recoverable amount of non-financial assets, the Company is required to estimate the value-in-use of the asset or the Cash Generating Unit and the fair value less costs to disposal. For calculating value in use the Company is required to estimate the cash flows to be generated from using the asset. The fair value of an assets is estimated using a valuation technique where observable prices are not available. Further, the discount rate used for value in use calculations includes an estimate of risk assessment specific to the asset.

c Impairment of Financial Assets:

The Company impairs financial assets other than those measured at fair value through profit or loss or designated at fair value through other comprehensive income on expected credit losses. The estimation of expected credit loss includes the estimation of probability of default (PD), loss given default (LGD) and the exposure at default (EAD). Estimation of probability of default apart from involving trend analysis of past delinquency rates include an estimation on forward-looking information relating to not only the counterparty but also relating to the industry and the economy as a whole. The probability of default is estimated for the entire life of the contract by estimating the cash flows that are likely to be received in default scenario. The lifetime PD is reduced to 12 month PD based on an assessment of past history of default cases in 12 months. Further, the loss given default is calculated based on an estimate of the value of the security recoverable as on the reporting date. The exposure at default is the amount outstanding at the balance sheet date.

d Defined Benefit Plans:

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligations are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and attrition rate. Due to the complexities involved in the valuation 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.



GK ENERGY LIMITED

(Formerly GK Energy Private Limited, GK Energy Marketers Private Limited)

CIN: L74900PN2008PLC132926

Registered Office: 1901, Tower A, Gokhale Business Bay, Paschimnagri, Kothrud, Pune - 411038 (MH)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

e Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow (DCF) model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

f Allowances for expected credit loss

The Company makes provision for expected credit losses through appropriate estimations of irrecoverable amount. The identification of expected credit loss requires use of judgment and estimates. The Company evaluates trade receivables ageing and makes a provision for those debts as per the provisioning policy. Where the expectation is different from the original estimate, such difference will impact the carrying value of the trade and other receivables and doubtful debts expenses in the period in which such estimate has been changed.

g Valuation of deferred tax

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period.

h Lease

Lease accounting after evaluating the right to use the underlying assets, substance of the transactions including legally enforceable arrangements and other significant terms and conditions of the arrangement to conclude whether the arrangements meet the criteria under Ind AS 116.

2.4 Property, Plant and Equipment

Property, plant and equipment are stated at cost less accumulated depreciation and accumulated impairment losses except freehold land which is not depreciated. Cost includes purchase price (after deducting trade discount / rebate), non-refundable duties and taxes, cost of replacing the component parts, borrowing costs and other directly attributable cost to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management, and the initial estimates of the cost of dismantling / removing the item and restoring the site on which it is located.

Spare parts procured along with the Plant and Equipment or subsequently individually which meets the recognition criteria of PPE are capitalized and added to the carrying amount of such items. The carrying amount of those spare parts that are replaced are derecognized when no future economic benefits are expected from their use or upon disposal. If the cost of the replaced part is not available, the estimated cost of similar new parts is used as an indication of what the cost of the existing part was when the item was acquired.

An item of PPE is derecognized on disposal or when no future economic benefits are expected from use. Any gain or loss arising on the derecognition of an item of property, plant and equipment is determined as the difference between the net disposal proceeds and the carrying amount of the asset and is recognized in Statement of Profit and Loss.

The depreciable amount of an asset is determined after deducting its residual value. Where the residual value of an asset increases to an amount equal to or greater than the asset's carrying amount, no depreciation charge is recognized till the asset's residual value decreases below the asset's carrying amount. Depreciation of an asset begins when it is available for use, i.e., when it is in the location and condition necessary for it to be capable of operating in the intended manner. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale in accordance with IND AS 105 and the date that the asset is derecognized.

Impairment of tangible assets

At the end of each reporting period, the Company reviews the carrying amounts of its PPE to determine whether there is any indication that these assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit ('CGU') to which the asset belongs. When 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.

The resulting impairment loss is recognized in the Statement of Profit and Loss.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are 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 cost to sell, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

Where an impairment loss subsequently reverses, the carrying amount of the asset or CGU is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset or CGU in prior years. A reversal of an impairment loss is recognized in the Statement of Profit and Loss.

2.5 Intangible assets

Intangible assets are stated at cost of acquisition or construction less accumulated amortization and impairment, if any. Intangible assets purchased are measured at cost as at the date of acquisition, as applicable, less accumulated amortization and accumulated impairment, if any. The estimated useful life of an identifiable intangible asset is based on a number of factors including the effects of obsolescence, demand, competition, and other economic factors (such as the stability of the industry, and known technological advances), and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

2.6 Foreign Currency Transactions

The financial information of Company are presented in INR, which is also the functional currency. In preparing the financial information, transactions in currencies other than the entity's functional currency are recognized at the rates of exchange prevailing at the dates of the transactions. The date of transaction in case of advance receipts is determined considering the advance receipts and subsequent exports as a single transaction. At the end of each reporting period, monetary items denominated in foreign currencies are translated at the rates prevailing at that date. Non-monetary items denominated in foreign currency are reported at the exchange rate ruling on the date of transaction.

Exchange differences on monetary items are recognized in the Statement of Profit and Loss in the period in which they arise.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.7 Inventories

Traded goods are valued at lower of cost and net realizable value. Cost of inventories comprises all costs of purchase price and other incidental costs incurred in bringing the inventories to their present location and condition. Cost is determined on weighted average basis. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and to make the sale.

Goods and materials in transit include materials, duties and taxes (other than those subsequently recoverable from tax authorities) labour cost and other related overheads incurred in bringing the inventories to their present location and condition.

Net realizable 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 amount of any write-down of inventories to net realizable value and all abnormal losses of inventories are recognized as expense in the Statement of Profit and Loss in the period in which such write-down or loss occurs. The amount of any reversal of the write-down of inventories arising from increase in the NRV is recognized as a reduction from the amount of inventories recognized as an expense in the period in which reversal occurs.

2.8 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of asset and liability if market participants would take those into consideration. Fair value for measurement and / or disclosure purposes in these Financial Statements is determined on such basis except for transactions in the scope of Ind AS 2, 17 and 36. Normally at initial recognition, the transaction price is the best evidence of fair value.

The fair value of an asset or a 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 those 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 financial assets and financial liabilities for which fair value is measured or disclosed in the Financial Statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 – Quoted (unadjusted) market prices in active markets for identical 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.

Financial assets and financial liabilities that are recognized at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorization at the end of each reporting period.

2.9 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. The Company recognizes a financial asset or financial liability in its balance sheet only when the entity becomes party to the contractual provisions of the instrument.

a Financial Assets

A financial asset inter-alia includes any asset that is cash, equity instrument of another entity or contractual obligation to receive cash or another financial asset or to exchange financial asset or financial liability under condition that are potentially favorable to the Company.

Financial assets of the Company comprise trade receivable, cash and cash equivalents, Bank balances, loans to employee / related parties / others, security deposit, claims recoverable etc.

Initial recognition and measurement

All financial assets except trade receivable are recognized initially at fair value. The financial assets not recorded at fair value through profit or loss, are recognized initially at fair value plus transaction costs that are attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are charged in the Statement of Profit and Loss. Where transaction price is not the measure of fair value and fair value is determined using a valuation method that uses data from observable market, the difference between transaction price and fair value is recognized in the Statement of Profit and Loss and in other cases spread over life of the financial instrument using effective interest.

The Company measures the trade receivables at their transaction price, if the trade receivables do not contain a significant financing component.

Subsequent measurement

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

- Financial assets measured at amortized cost
- Financial assets at fair value through OCI
- Financial assets at fair value through profit or loss

Financial assets measured at amortized cost

Financial assets are measured at amortized cost if the financial asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. These financial assets are amortized using the effective interest rate ('EIR') method, less impairment. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognized in the Statement of Profit and Loss.



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**Financial assets at fair value through OCI ('FVTOCI')**

Financial assets are measured at fair value through other comprehensive income if the financial asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at FVTOCI. Fair value changes 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 derecognition of the financial asset other than equity instruments designated as FVTOCI, cumulative gain or loss previously recognized in OCI is reclassified to the Statement of Profit and Loss.

Financial assets at fair value through profit or loss ('FVTPL')

Any financial asset that does not meet the criteria for classification as at amortized cost or as financial assets at fair value through other comprehensive income is classified as financial assets at fair value through profit or loss. Further, financial assets at fair value through profit or loss also include financial assets held for trading and financial assets designated upon initial recognition at fair value through profit or loss. Financial assets are classified as held for trading if they are acquired for the purpose of selling or repurchasing in the near term. Financial assets at fair value through profit or loss are fair valued at each reporting date with all the changes recognized in the Statement of Profit and Loss.

Derecognition

The Company derecognizes a financial asset only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the financial asset, the Company recognizes its retained interest in the asset and an associated liability for amounts it may have to pay.

Impairment of financial assets

The Company assesses impairment based on expected credit loss ('ECL') model on the following:

- Financial assets that are measured at amortized cost; and
- Financial assets measured at FVTOCI.

ECL is measured through a loss allowance on a following basis:-

- The 12 month expected credit losses (expected credit losses that result from those default events on the financial instruments that are possible within 12 months after the reporting date)
- Full life time expected credit losses (expected credit losses that result from all possible default events over the life of financial instruments)

The Company follows 'simplified approach' for recognition of impairment on trade receivables or contract assets resulting from normal business transactions. The application of simplified approach does not require the Company to track changes in credit risk. However, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, from the date of initial recognition.

For recognition of impairment loss on other financial assets, the Company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has increased significantly, lifetime ECL is provided. For assessing increase in credit risk and impairment loss, the Company assesses the credit risk characteristics on instrument-by-instrument basis.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls) discounted at the original EIR.

Impairment loss allowance (or reversal) recognized during the period is recognized as expense/income in the Statement of Profit and Loss.

b Financial Liabilities

The Company's financial liabilities include loans and borrowings including bank overdraft, trade payables, accrued expenses and other payables etc.

Initial recognition and measurement

All financial liabilities at initial recognition are classified as financial liabilities at amortized cost or financial liabilities at fair value through profit or loss, as appropriate. All financial liabilities classified at amortized cost are recognized initially at fair value net of directly attributable transaction costs. Any difference between the proceeds (net of transaction costs) and the fair value at initial recognition is recognized in the Statement of Profit and Loss or in the CWIP, if another standard permits inclusion of such cost in the carrying amount of an asset over the period of the borrowings using the Effective interest rate ('EIR') method.

Subsequent measurement

The subsequent measurement of financial liabilities depends upon the classification as described below:-

Financial Liabilities classified as Amortized Cost

Financial Liabilities that are not held for trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. Interest expense that is not capitalized as part of costs of assets is included as Finance costs in the Statement of Profit and Loss.

Financial Liabilities classified as Fair value through profit and loss (FVTPL)

Financial liabilities classified as FVTPL includes financial liabilities held for trading and financial liabilities designated upon initial recognition as FVTPL. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. Financial liabilities designated upon initial recognition at FVTPL only if the criteria in Ind AS 109 is satisfied.

Derecognition

A financial liability is derecognized when the obligation under the liability is discharged / cancelled / expired. 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 recognized in the Statement of Profit and Loss.

Offsetting of financial instruments

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

Share capital and share premium

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares are shown in equity as a deduction net of tax from the proceeds. Par value of the equity share is recorded as share capital and the amount received in excess of the par value is classified as share premium.

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**Dividend Distribution to equity shareholders**

The Company recognizes a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorized when it is approved by the shareholders. A corresponding amount is recognized directly in other equity along with any tax thereon.

2.10 Government Grants

Government grants are recognized when there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

Grants in the form of non-monetary assets are recognized at fair value and presented as deferred income which is recognized in the Statement of Profit and Loss over the expected useful life in a pattern of consumption of the benefit of the underlying asset.

Government grants (grants related to income) are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate on a systematic basis. Government grants that are receivable as compensation for expenses or losses already incurred or for the purpose of providing immediate financial support with no future related costs are recognized in the Statement of Profit and Loss in the period in which they become receivable. Grants related to income are presented under other income in the Statement of Profit and Loss except for grants received in the form of rebate or exemption which are deducted in reporting the related expense.

The benefit of a government loan at a below-market rate of interest is treated as a government grant and measured as the difference between proceeds received and the fair value of the loan based on prevailing market interest rates. The grant set up as deferred income is recognized in the Statement of Profit and Loss on a systematic basis.

2.11 Investments

Current investments are carried at lower of cost and fair value. Non-current investments are stated at cost. Provision for diminution in the value of long term investment is made only if such a decline is other than temporary.

2.12 Leases

Where the Company is a lessee-

At inception of a contract, the Company assesses whether a contract is or contains a lease. A contract is, or contains, a lease if a contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract conveys the right to use an identified asset;
- the Company has the right to obtain substantially all the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the identified asset.

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

Lease liability is measured by discounting the lease payments using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates.

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 ROU assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives and restoration costs. They are subsequently measured at cost less accumulated depreciation and impairment losses, if any. ROU assets are depreciated on a straight-line basis over the asset's useful life or the lease whichever is shorter. Impairment of ROU assets is in accordance with the Company's accounting policy for impairment of tangible and intangible assets.

Where the Company is a lessor-

Lease income from operating leases where the Company is a lessor is recognized in the Statement of Profit and Loss on a straight-line basis over the lease term.

2.13 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

2.14 Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized when there is a present legal or constructive obligation as a result of a past event and it is probable (i.e. more likely than not) 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. Such provisions are determined based on management estimate of the amount required to settle the obligation at the balance sheet date. When the Company expects some or all of a provision to be reimbursed, the reimbursement is recognized as a standalone asset only when the reimbursement is virtually certain.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance costs.

Present obligations arising under onerous contracts are recognized and measured as provisions. An onerous contract is considered to exist when a contract under which the unavoidable costs of meeting the obligations exceed the economic benefits expected to be received from it.

Contingent liabilities are disclosed on the basis of judgment of management/independent experts. These are reviewed at each balance sheet date and are adjusted to reflect the current management estimate.

Contingent Assets are not recognized, however, disclosed in financial statement when inflow of economic benefits is probable.



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

2.15 Revenue Recognition and Other Income

Revenue is measured at amount of transaction price (net of variable consideration) received or receivable when control of the goods is transferred to the customer and there are no unfulfilled performance obligations as per the contract with the customers. The Company recognizes revenue when it satisfies a performance obligation in accordance with the provisions of contract with the customer. This is achieved when:

- effective control of goods along with significant risks and rewards of ownership has been transferred to customer;
- the amount of revenue can be measured reliably;
- it is probable that the economic benefits associated with the transaction will flow to the Company; and
- the costs incurred or to be incurred in respect of the transaction can be measured reliably

Revenue represents net value of goods and services provided to customers after deducting for certain incentives including, but not limited to discounts, volume rebates, etc. For incentives offered to customers, the Company makes estimates related customer performance and sales volume to determine the total amounts earned and to be recorded as deductions. The estimate is made in such a manner, which ensures that it is highly probable that a significant reversal in the amount of cumulative revenue recognized will not occur. The actual amounts may differ from these estimates and are accounted for prospectively.

Revenue are net of Goods and Service Tax. No element of significant financing is deemed present as the sales are made with a credit term, which is consistent with market practice.

Company generate revenue from sale of pumps and related support services. Revenue from services is recognized in the accounting period in which the services are rendered.

Interest income from a financial asset is recognized when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

2.16 Depreciation and Amortization

Depreciation of PPE commences when the assets are ready for their intended use. Depreciation on PPE is recognized so as to write off the cost of assets (other than freehold land) less their residual values over their useful lives, using the straight-line method. PPE which are added / disposed off during the year, depreciation is provided on pro-rata basis from / up to the date on which the asset is available for use / disposal. The estimated useful lives, residual values and depreciation method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis. Component of an item of PPE with the cost that is significant in relation to total cost of that item is depreciated separately if its useful life differs from other components of the assets.

Depreciation on PPE is provided over the useful life of assets on straight line method as specified in the Schedule II of the Companies Act 2013 to the extent of 95 except the following

Assets acquired on lease arrangement are depreciated over the respective useful life applicable to asset or written off over lease period, whichever is lower.

2.17 Borrowing and Borrowing costs

Borrowings are initially recognized at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognized in Statement of profit and loss over the period of the borrowings using the effective interest method. Borrowings are derecognized from the balance sheet when the obligation specified in the contract is discharged, cancelled or expired. The difference between the carrying amount of a borrowings that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognized in Statement of profit and loss as other gains/(losses). Borrowings are classified as current liabilities unless the Company has an unconditional right to defer settlement of the liability for at least 12 months after the reporting period.

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 are capitalized as part of the cost of the asset. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing cost also includes exchange differences to the extent regarded as an adjustment to the borrowing costs.

Borrowing costs which are directly attributable to acquisition / construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized as a part of cost pertaining to those assets. All other borrowing costs are recognized as expense in the period in which they are incurred.

2.18 Employee Benefits

Short-term Employees Benefits

All employee benefits payable wholly within twelve months of rendering services are classified as short term employee benefits. Benefits such as salaries, wages, short-term compensated absences, performance incentives etc., are recognized during the period in which the employee renders related services and are measured at undiscounted amount expected to be paid when the liabilities are settled.

Post-employment benefits

The Company provides the following post-employment benefits:

- Defined benefit plans such as gratuity and
- Defined Contribution plans such as provident fund & employee State Insurance Scheme

Defined benefits plans

The cost of providing defined benefit plans such as gratuity is determined on the basis of present value of defined benefits obligation which is computed using the projected unit credit method with independent actuarial valuation made at the end of each annual reporting period, which recognizes each period of service as given rise to additional unit of employees benefit entitlement and measuring each unit separately to build final obligation.

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and the fair value of plan assets. This cost is included in employee benefit expense in the Statement of Profit and Loss except those included in cost of assets as permitted.

Re-measurements comprising of actuarial gains and losses arising from experience adjustments and change in actuarial assumptions, the effect of change in assets ceiling (if applicable) and the return on plan asset (excluding net interest as defined above) are recognized in other comprehensive income (OCI) except those included in cost of assets as permitted in the period in which they occur. Re-measurements are not reclassified to the Statement of Profit and Loss in subsequent periods.

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Service cost (including current service cost, past service cost, as well as gains and losses on curtailments and settlements) is recognized in the Statement of Profit and Loss except those included in cost of assets as permitted in the period in which they occur.

Defined Contribution Plans

Payments to defined contribution retirement benefit plans, viz., Provident Fund for eligible employees are recognized as an expense when employees have rendered the service entitling them to the contribution.

2.19 Earnings per Share:

Basic earnings per share is calculated by dividing the profit from continuing operations and total profit, both attributable to equity shareholders of the Company by the weighted average number of equity shares outstanding during the year.

2.20 Income Taxes

Income tax expense represents the sum of tax currently payable and deferred tax. Tax is recognized in the Statement of Profit and Loss, except to the extent that it relates to items recognized directly in equity or in other comprehensive income.

Current tax

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted in India, at the reporting date.

Current tax relating to items recognized outside statement of profit or loss is recognized outside statement of profit or loss (either in other comprehensive income or in equity). Current tax items are recognized in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Current tax assets is offset against current tax liabilities if, and only if, a legally enforceable right exists to set off the recognized amounts and there is an intention either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

Deferred Tax

Deferred tax is recognized on temporary differences between the carrying amounts of assets and liabilities in the balance sheet and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognized for all taxable temporary differences. Deferred tax assets are generally recognized for all deductible temporary differences, unabsorbed losses and unabsorbed depreciation to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, unabsorbed losses and unabsorbed depreciation can be utilized. Such deferred tax assets and liabilities are not recognized if the temporary difference arises from initial recognition of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each balance sheet date 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.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the balance sheet date. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

Statement of Cash Flows and Cash and Cash Equivalents

Statement of cash flows is prepared in accordance with the indirect method prescribed in the relevant IND AS. For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, cheques and drafts on hand, deposits held with Banks, 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. However, Bank overdrafts are to be shown within borrowings in current liabilities in the balance sheet for the purpose of presentation.

2.21 Current versus non-current classification

The Company presents assets and liabilities in the Balance Sheet based on current / non-current classification.

a) An asset is current when it is:

- Expected to be realized or intended to be sold or consumed in the normal operating cycle,
- Held primarily for the purpose of trading,
- Expected to be realized within twelve months after the reporting period, or

All other assets are classified as non-current.

b) A liability is current when:

- It is expected to be settled in the 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.

c) Deferred tax assets and liabilities are classified as non-current assets and liabilities.

d) The operating cycle is the time between the acquisition of assets for processing and their realization in cash and cash equivalents.



3. PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

3a PROPERTY PLANT AND EQUIPMENTS

Particulars	Building	Furniture and fixtures	Vehicles	Office equipments	Electrical fittings	Computers	Total (3a)	3b Right of Use of Assets			3c Intangible Assets		3d Work in Progress	Total (3a+3b+3c+3d)
								Right of Use of Assets	Computer softwares	Capital work-in-progress				
As at March 31, 2024	58.51	6.41	32.29	0.92	32.22	3.34	133.69	1.90	0.07	0.20				135.86
Additions														
IndAS Adjustment	0.01	1.78	33.35	0.30	-	2.79	38.23	-	8.50	-				46.73
Adjustments/ disposals	-	-	-	-	-	-	-	-	-	-				-
As at March 31, 2025	58.52	8.19	65.64	1.22	32.22	6.13	171.92	1.90	8.57	(0.20)				(0.20)
Additions														182.39
IndAS Adjustment	807.98	75.14	34.22	13.95	-	22.38	953.67	-	0.16	-				953.83
Adjustments/ disposals	-	(0.01)	-	-	-	(0.03)	(0.04)	(1.90)	(0.02)	-				(1.96)
As at March 31, 2026	866.50	83.32	99.86	15.17	32.22	28.48	1,125.55	-	8.71	-				1,134.26

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31, 2024	2.95	2.53	1.22	0.45	28.41
Depreciation / amortization charge					
Reclassification IndAS Adjustment	0.93	0.74	6.47	0.14	12.69
Adjustments/ disposals	-	-	-	-	-
As at March 31, 2025	3.88	3.27	7.69	0.59	41.10
Depreciation / amortization charge					
Reclassification IndAS Adjustment	10.41	4.81	9.33	1.90	34.25
Adjustments/ disposals	-	-	-	-	(0.03)
As at March 31, 2026	14.29	8.08	17.02	2.49	75.32
Net block Amount					
As at March 31, 2025	54.64	4.92	57.95	0.63	130.82
As at March 31, 2026	852.21	75.24	82.84	12.68	1,055.06

Particulars	Less than 1 Year	1-2 Years	2-3 Years	More than 3 Years	Total
As at March 31, 2025	-	-	-	-	-
As at March 31, 2026	-	-	-	-	-

The Company does not have any CWIP which is overdue or exceeded its cost compared to its original plan.



3. PROPERTY PLANT AND EQUIPMENT AND INTANGIBLE ASSETS

Particulars	Gross Block	Accumulated depreciation/ amortisation as at 31 March 2025	Net Block
Buildings	866.50	14.29	852.21
Solar Power Plant	32.22	26.04	6.18
Furniture and fixtures	83.32	8.08	75.24
Office equipment	15.17	2.49	12.68
Computers	28.48	7.40	21.08
Vehicles	99.86	17.02	82.84
	1,125.55	75.32	1,050.23
Right of use asset	-	-	-
	-	-	-
Computer software	8.71	3.88	4.83
	8.71	3.88	4.83



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**4 INVESTMENTS**

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Non-current		
Investment in Shares of Wholly Owned Subsidiary Company		
Unquoted, fully paid up		
Investment into Equity Shares of GK Energy Solar Private Limited (5,000,000 Shares of Rs.10 each fully paid up as on March 31, 2026 valued at Cost, unquoted) (March 31, 2025: 100,000 Shares of Rs.10 Each)	50.00	1.00
Total	50.00	1.00

Compliance with number of layers of companies: The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

The Company holds the shares in physical form. As per Rule 9B of the Companies (Prospectus and Allotment of Securities) Rules, 2014, any transfer of these securities will require prior dematerialisation."

5 OTHER FINANCIAL ASSETS

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Other financial assets		
Bank Deposits with more than 12 months maturity*	114.06	15.66
Advance for purchase of capital asset	-	109.95
Security Deposit	1.27	0.07
Total	115.33	125.68

* Deposits are lien with bank against credit facilities availed

6 INVENTORIES

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
[valued at lower of cost and net realizable value]		
Raw materials & components	581.84	599.35
Total	581.84	599.35

Inventories are hypothecated to secured lenders. Refer Note No 14 and 20

7 TRADE RECEIVABLES

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
(Unsecured at amortized cost)		
Considered good	5,907.61	3,620.75
Considered doubtful	-	-
Less: Expected Credit Loss	(46.88)	(12.25)
Total	5,860.73	3,608.50

Trade Receivables are hypothecated to secured lenders. Refer Note No 14 and 20

Trade Receivables are not interest bearing and repayable on terms of order.

AGEING OF TRADE RECEIVABLES

Particulars	Due As at March 31, 2026					Total
	Less than 6 months	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	
Undisputed						
i. considered good	5,776.25	76.38	9.82	28.58	16.58	5,907.61
ii. considered doubtful	-	-	-	-	-	-
Disputed						
iii. considered good	-	-	-	-	-	-
iv. considered doubtful	-	-	-	-	-	-
Total	5,776.25	76.38	9.82	28.58	16.58	5,907.61
Less: Allowance for ECL (Overall 0.34%)						46.88
Total						5,860.73

Particulars	Due As at March 31, 2025					Total
	Less than 6 months	Less than 1 Year	1-2 years	2-3 years	More than 3 Years	
Undisputed						
i. considered good	3,209.23	358.53	36.41	12.50	4.08	3,620.75
ii. considered doubtful	-	-	-	-	-	-
Disputed						
iii. considered good	-	-	-	-	-	-
iv. considered doubtful	-	-	-	-	-	-
Total	3,209.23	358.53	36.41	12.50	4.08	3,620.75
Less: Allowance for ECL (Overall 0%)						12.25
Total						3,608.50

The company uses a practical expedient for computing the Expected Credit Loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account the historical credit loss experience and adjusted for forward looking information. The ECL allowance is based on ageing days receivable are due from the completion of project and the rates are as per the provision matrix.

"The ageing of receivables has been determined from the respective invoice dates. Outstanding balances reflect the application of receipts against the earliest invoices first, accordingly the most recent invoices remain as the current outstanding balances."

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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**8 CASH AND CASH EQUIVALENTS**

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Cash and cash equivalent:		
Balances with bank on current accounts	1,894.00	3.12
Cash on hand	7.72	7.14
Balances with Bank on Fixed Deposits	1,453.05	-
Total	3,354.77	10.26

9 OTHER BANK BALANCES

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Other bank balances		
Balances with Bank on Monitoring Account	110.68	-
Deposits with original maturity upto 12 months*	967.32	616.97
Total	1,078.00	616.97

* Deposits are lien marked with bank against credit facilities availed

10 OTHER FINANCIAL ASSETS

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Tender EMD & other deposits	34.01	33.52
Deposits and advances with NBFC*	-	20.00
Total	34.01	53.52

* Deposits are lien with bank against credit facilities availed

11 LOANS

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Unsecured, considered good		
Advances to Subsidiary - GK Energy Solar Private Limited	-	20.00
Total	-	20.00

CURRENT TAX ASSETS

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Current tax assets	-	-
Total	-	-

12 OTHER CURRENT ASSETS

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
GST balances	218.30	142.27
Income Tax TDS Balance	101.12	-
Prepaid expenses	2.78	72.45
Advances recoverable	42.48	4.25
Advances to trade creditors	493.90	429.88
Insurance claim receivable	5.57	12.25
Total	864.15	661.10



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

13 STATEMENT OF CHANGES IN EQUITY (SOCE)

13a. EQUITY SHARE CAPITAL

		(₹ in millions)	
EQUITY SHARE CAPITAL		As at March 31, 2026	As at March 31, 2025
Authorised Share Capital			
March 31, 2026: 375,000,000 of ₹ 2 Each (March 31, 2025: 375,000,000 of ₹ 2 Each)		750.00	750.00

Issued, Subscribed and Fully Paid-up Equity Shares :			
Equity Shares		405.63	340.28
March 31, 2026: 202,817,266 shares of ₹ 2 Each (March 31, 2025: 170,137,529 shares of ₹ 2 Each)			

Reconciliation of Equity Shares outstanding at the beginning and at the end of the reporting period

EQUITY SHARE CAPITAL		As at March 31, 2026	As at March 31, 2025
Equity Shares			
At the beginning of the period / year			
- Number of shares of ₹ 10 Each		170,137,529	1,299,990
- In ₹ Million		340.28	13.00
Impact of share split effected (each share of face value ₹ 10 split into ten shares of face value of ₹ 2 each)			
- Number of shares of ₹ 2 Each		-	6,499,950
Impact of bonus issue effected (allotment of 162,498,750 bonus shares at face value of ₹ 2 each)			
- Number of shares of ₹ 2 Each		-	162,498,750
- In ₹ Million		-	325.00
Impact of Fresh issue (allotment of 1,138,829 shares at face value of ₹ 2 each)			
- Number of shares of ₹ 2 Each		-	1,138,829
- In ₹ Million		-	2.28
Impact of Fresh issue (allotment of 32,679,737 shares at face value of ₹ 2 each)			
- Number of shares of ₹ 2 Each		32,679,737	-
- In ₹ Million		65.35	-
Total Change during the period / year			
- Number of shares		32,679,737	170,137,529
- In ₹ Million		65.35	327.28
At the end of the period / year			
- Number of shares		202,817,266	170,137,529
- Face Value (₹ per share)		2	2
- In ₹ Million		405.63	340.28

Rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The company has one class of equity shares having a par value of ₹ 2 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

Details of Subdivision of shares

Shareholders of the Company through its extra ordinary meeting held on December 2, 2024 vide ordinary resolution approved subdivision of the nominal value of equity shares of the company from the existing nominal value of ₹ 10/- each to the nominal value of ₹ 2/- each. Post subdivision of nominal value, authorised share capital of the Company changed from ₹ 75,000,000 equity shares of ₹ 10/- each to ₹ 375,000,000 equity shares of ₹ 2/-each.

Details of issue of bonus, buy back, cancellation and issue of shares for other than cash consideration in last 5 Years

The Board of Directors, in its meeting held on November 29, 2024, pursuant to Section 63 of the Companies Act, 2013, approved the issuance of bonus shares in the ratio of 25:1 (25 fully paid-up equity shares for every 1 equity share held), subject to shareholder approval. The members approved this proposal through a special resolution at the Extraordinary General Meeting (EGM) held on December 2, 2024. The record date for determining eligible shareholders was December 6, 2024, and on the same day, the Board allotted 162,498,750 bonus shares, increasing the issued share capital from ₹12,999,900 to ₹337,997,400.

Details of Issue of Shares

The Company has completed its pre initial public offer (Pre-IPO) of fresh issue of 6,535,947 equity shares of face value of Rs. 2 each at an issue price of Rs. 153 per share.

The Company has completed its initial public offer (IPO) of fresh issue of 30,343,790 equity shares of face value of Rs. 2 each at an issue price of Rs. 153 per share. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on September 26, 2025. The issue comprised of a fresh issue of 26,143,790 equity shares aggregating to, 4,000.00 millions and offer for sale of 4,200,000 equity shares by selling shareholders aggregating to, 642.60 millions.

Shares in the Company held by each shareholder holding more than five per cent shares	As at March 31, 2026	As at March 31, 2025
---	-------------------------	-------------------------

Mr. Gopal Rajaram Kabra (Promoter)		
- Number of shares	154,494,540	162,494,540
- % Holding	76.17%	95.51%
- Change during period	-19.34%	-0.64%

Shares held by Promoters	As at March 31, 2026	As at March 31, 2025
--------------------------	-------------------------	-------------------------

Mr. Gopal Rajaram Kabra		
- Number of shares	154,494,540	162,494,540
- % Holding	76.17%	95.51%
Mr. Mehul Ajit Shah		
- Number of shares	6,100,000	6,500,000
- % Holding	3.00%	3.82%



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13b. OTHER EQUITY

OTHER EQUITY	Reserves and Surplus		Other Comprehensive Income	Total
	Securities Premium	Profit and Loss account	Remeasurement of defined benefit plans	
Balance as at start of the reporting period April 01, 2024	3.70	542.88	-	546.58
Profit for the current reporting year ending March 31, 2025	-	1,332.23	-	1,332.23
Other comprehensive income for the current reporting year ending March 31, 2025	-	-	(0.04)	(0.04)
Total comprehensive income for the year	-	1,332.23	(0.04)	1,332.19
Less: Utilization for Issue of Bonus Shares	(3.70)	(321.30)	-	(325.00)
Add: Equity share premium	197.02	-	-	197.02
Balance at the end of the reporting year ending March 31, 2025	197.02	1,553.81	(0.04)	1,750.79
Profit for the current reporting year ending March 31, 2026	-	2,012.73	-	2,012.73
Other comprehensive income for the current reporting year ending March 31, 2026	-	-	(0.16)	(0.16)
Total comprehensive income for the year	-	2,012.73	(0.16)	2,012.57
Less: Utilization for Issue of Bonus Shares	-	-	-	-
Add: Equity share premium	4,934.64	-	-	4,934.64
Less: Share Issue Expenses	257.28	-	-	257.28
Balance at the end of the reporting year ending March 31, 2026	4,874.38	3,566.54	(0.20)	8,440.72

Nature and Purpose of each component of equity	Nature and Purpose
i. Securities Premium	Amounts received in excess of par value on issue of shares is classified as Securities Premium
ii. Retained Earnings	Profit earned during the year
iii. Remeasurements of Defined Benefit Plans	Gains / Losses arising on Remeasurements of Defined Benefit Plans are recognised in the Other Comprehensive Income as per IND AS-19 and shall not be reclassified to the Statement of Profit or Loss in the subsequent years.



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**14 BORROWINGS**

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Non-current		
Secured loans		
Term loan from bank and financial institutions	152.88	52.67
Unsecured		
From related parties	-	70.99
Total borrowings - non-current	152.88	123.66

I] Details of repayment of loans & charges created on assets for borrowing-

Name of Bank / Financial Institution	Interest Rate	Tenure	Security	(₹ in millions)	
				As at March 31, 2026	As at March 31, 2025
Bank of Baroda - BGECLS	9.25%	44 Months	-Pari Passu Charge on Current Assets -First charge on specified immovable assets of the company -First charge on fixed deposits pledged with the bank -Personal Guarantee of 2 Directors		
Bank of Baroda Limited	9.1% and 8.91%	60 / 84 Months	-Vehicle financed out of proceeds -Personal Guarantee of 2 Directors		
HDFC Bank Limited	8.91%	60 Months	-Vehicle financed out of proceeds		
Kotak Mahindra Bank Limited	8.25%	36 Months	-Loan Against Property -Personal Guarantee of 2 Directors		
Axis Bank Limited	8.05%	180 Months	-Loan Against Property -Personal Guarantee of 2 Directors		

15 LEASE LIABILITIES - NON-CURRENT

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Lease liabilities non-current	-	1.18
	-	1.18

16 OTHER FINANCIAL LIABILITIES - NON-CURRENT

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Security deposits	-	4.62
	-	4.62

17 DEFERRED TAX LIABILITIES / (ASSET)

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Deferred tax liability		
Property, plant and equipment and other intangible assets	26.81	9.18
Other adjustments	0.56	0.45
	27.37	9.63
Deferred tax asset		
Provisions	25.32	9.86
Right of use and lease liabilities	-	0.03
	25.32	9.89
Deferred tax liability / (asset)	2.05	(0.26)



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Movement of Deferred Tax Liabilities / (Asset)

Particulars	(₹ in millions)			
	As at March 31, 2025	Recognized / Reversed through statement of profit and loss	Recognized in other comprehensive income	As at March 31, 2026
Deferred tax liability				
Property, plant and equipment and other intangible assets	9.18	17.63	-	26.81
Other adjustments	0.45	0.07	0.05	0.57
	9.63	17.69	0.05	27.37
Deferred tax asset				
Provisions	9.86	15.46	-	25.32
Right of use and lease liabilities	0.03	(0.03)	-	-
	9.89	15.43	-	25.32
Net Movement of Deferred Tax Liabilities / (Asset)	(0.26)	2.27	0.05	2.05

Movement of Deferred Tax Liabilities / (Asset)

Particulars	(₹ in millions)			
	As at March 31, 2024	Recognized / Reversed through statement of profit and loss	Recognized in other comprehensive income	As at March 31, 2025
Deferred tax liability				
Property, plant and equipment and other intangible assets	7.27	1.91	-	9.18
Other adjustments	0.25	0.18	0.02	0.45
	7.52	2.09	0.02	9.63
Deferred tax asset				
Provisions	-	9.86	-	9.86
Right of use and lease liabilities	0.58	(0.55)	-	0.03
	0.58	9.31	-	9.89
Net Movement of Deferred Tax Liabilities / (Asset)	6.94	(7.22)	0.02	(0.26)

18 PROVISIONS

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Provision for Gratuity	2.07	1.46
	2.07	1.46

19 OTHER NON-CURRENT LIABILITIES

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Deferred liability* (Non Current)	-	-
	-	-

*The difference between the transaction price (proceeds from the unsecured loan) and the fair value is recognized as a deferred liability.

20 SHORT TERM BORROWINGS

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Short-term loans		
Short-term loans from banks (secured)	-	608.22
Short-term loans from banks (unsecured)	-	126.82
Short-term loans from NBFC (unsecured)	-	188.65
Short-term loans from banks (unsecured - purchase bill discounting)	1,647.08	854.88
Short-term loans from related parties (unsecured)	86.32	3.62
Current maturities		
Current maturities of long-term borrowings (secured)	140.34	23.83
14.25% Debentures (Non Convertible)	-	248.21
Total	1,873.74	2,054.23



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**Name of Bank / Financial Institution****Bank of Baroda Limited**

Working capital limits received has been secured by

- pari passu charge on current assets (both present and future)
- first charge on specified immovable assets of the company
- first charge on fixed deposits pledged with the bank
- carries an interest rate as at March 31, 2026 of 1 Year BRLLR + spread is 0.85 % p.a.
- personal guarantee of promoters

Indian Overseas Bank

- pari passu charge on current assets (both present and future).
- first charge on specified immovable asset of the company.
- first charge on fixed deposits pledged with the bank.
- carries an interest rate as at March 31, 2026 of 1 Year MCLR + spread is 1.15% p.a.
- personal guarantee of promoters

ICICI Bank Limited

- pari passu charge on current assets (both present and future).
- first charge on specified immovable asset of the company.
- first charge on fixed deposits pledged with the bank.
- carries an interest rate as at March 31, 2026 of 1 MCLR 6m + spread is 0.70% p.a.
- personal guarantee of promoters

HDFC Bank Limited

- pari passu charge on current assets (both present and future).
- first charge on fixed deposits pledged with the bank.
- personal guarantee of promoters
- carries an interest rate as at March 31, 2026 of 9.10% p.a.

IndusInd Bank Limited

- Pari passu charge on current assets (both present and future).
- First charge on fixed deposits pledged with the bank.
- personal guarantee of promoters
- Carries an interest rate as at March 31, 2025 of repo rate + 2.75% spread p.a.

Equentia Financial Service Private Limited*

- Cash collateral of 10% of the facility which shall be
- proportionate to amount drawn under the Facility and
- personal guarantee of promoters
- carries of interest rate of 13.05% p.a.

Shriram Finance Limited*

- Cash collateral in form of ICD of 10% of the facility which
- shall be proportionate to amount drawn under the
- personal guarantee of Gopal Kabra
- facility and carries of interest rate of 13.50% p.a.

Unity Small Finance Bank Ltd (VCF Limit)*

- personal guarantee of Gopal Kabra
- facility and carries of interest rate of 11.70% p.a.

* Facilities Closed as on 31st March 2026

Disclosure in case of borrowings on the basis of security of current assets

The returns or statements of current assets are filed by the Company with banks or financial institutions for above loans are generally in agreement with the books of accounts. And there is no material discrepancies are found and required to be reported as required.

21 LEASE LIABILITIES - CURRENT

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Lease liabilities	-	0.39
	-	0.39



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

22 TRADE PAYABLES

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Trade payables:		
Dues to micro and small enterprise	80.08	22.15
Dues to other than micro and small enterprise	1,268.74	1,150.41
Total	1,348.82	1,172.56

The identification of suppliers under "Micro, Small and Medium Enterprises Development Act, 2006" was done on the basis of the information to the extent provided by the suppliers to the Company

AGEING OF TRADE PAYABLES

Particulars	Not Due	Due as at March 31, 2026				Amount
		Less than 1 Year	1-2 years	2-3 years	More than 3 Years	
i. MSME	-	80.08	-	-	-	80.08
ii. Others than MSME	-	1,261.37	3.19	2.34	1.84	1,268.74
iii. Disputed dues MSME	-	-	-	-	-	-
iv. Disputed dues Others	-	-	-	-	-	-
Total	-	1,341.45	3.19	2.34	1.84	1,348.82

Particulars	Not Due	Due as at March 31, 2025				Amount
		Less than 1 Year	1-2 years	2-3 years	More than 3 Years	
i. MSME	-	22.15	-	-	-	22.15
ii. Others than MSME	-	1,145.73	2.52	2.16	-	1,150.41
iii. Disputed dues MSME	-	-	-	-	-	-
iv. Disputed dues Others	-	-	-	-	-	-
Total	-	1,167.88	2.52	2.16	-	1,172.56

The ageing of payables has been determined from the respective invoice dates. Payments are applied to the oldest outstanding invoices first, ensuring that the most recent invoices remain as the current outstanding balances.

23 OTHER FINANCIAL LIABILITIES - CURRENT

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Other liabilities:		
Liabilities for expenses	630.26	309.74
Liabilities for employee Benefits	0.54	4.37
Total	630.80	314.11

24 PROVISIONS - CURRENT

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Provision for gratuity - current	0.05	0.04
Provision for income tax	92.28	40.48
Total	92.33	40.52

25 OTHER CURRENT LIABILITIES

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Deferred liability	-	11.71
Advance from customer	18.97	13.16
Statutory dues	25.88	7.66
Total	44.85	32.53

*The difference between the transaction price (proceeds from the unsecured loan) and the fair value is recognized as a deferred liability.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

26 REVENUE FROM OPERATIONS

Particulars	(₹ in millions)	
	Year ended March 31, 2026	Year ended March 31, 2025
Revenue from operations:		
EPC Business and Supply of Systems	15,138.45	10,873.63
Revenue from traded goods	169.56	66.24
	15,308.01	10,939.87
Other operating revenue		
Sale of electricity	8.40	8.40
Sale of services	9.00	-
	17.40	8.40
Total revenue from operations	15,325.41	10,948.27
Total revenue from operations	15,325.41	10,948.27

27.1 The Company is primarily in the business of installations of solar-powered pumping systems. All sales are made at a point in time and revenue recognized upon satisfaction of the performance obligations, which are typically upon dispatch.

27.2 The Company presented disaggregated revenue based on the type of goods sold and customers. Revenue is recognized for goods transferred at a point of time. The Company believes that the revenue disaggregation best depicts point in time.

Type of customers

EPC of solar-powered pump systems of which

Direct-to-beneficiary	14,257.16	9,217.03
Sales to others	599.79	1,656.60
Other EPC Services	164.15	-
Trading Activities	169.56	10.01
Other customers	134.75	64.63
Total	15,325.41	10,948.27

Type of goods sold

EPC	15,021.10	10,873.63
Solar Cells, Modules	169.56	10.01
Others	134.75	64.63
Total	15,325.41	10,948.27

27 OTHER INCOME

Particulars	(₹ in millions)	
	Year ended March 31, 2026	Year ended March 31, 2025
Interest received		
- from banks and financial institutions	81.01	33.01
- from related party	1.95	0.21
Rental income	-	0.27
Interest income - lease assets	0.01	0.01
Gain on Termination of Lease	0.17	-
Deferred interest income	11.71	10.05
Total	94.85	43.55

28 TOTAL COST OF GOODS SOLD

Particulars	(₹ in millions)	
	Year ended March 31, 2026	Year ended March 31, 2025
Cost of goods sold:		
Inventory at the beginning of the year	599.35	197.63
Add: purchases	9,848.49	7,428.62
Less: inventory at the end of the year	581.84	599.35
Total cost of goods sold	9,866.00	7,026.90



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

29 EMPLOYEE BENEFIT EXPENSES

Particulars	(₹ in millions)	
	Year ended March 31, 2026	Year ended March 31, 2025
Employee benefits		
Salaries, wages & bonus	282.61	178.69
Contribution to provident and other funds	2.94	1.32
Total	285.55	180.01

30 FINANCE COST

Particulars	(₹ in millions)	
	Year ended March 31, 2026	Year ended March 31, 2025
Interest on Bank and NBFC borrowings	62.87	50.11
Interest on Cash credit, Overdraft and bill discounting charges	248.63	126.45
Interest on lease liabilities	0.12	0.15
Interest on related parties loan (unsecured)	25.82	-
Deferred interest on related parties (unsecured)	11.71	10.05
Other bank charges	37.62	25.60
Interest on taxes paid	8.51	11.09
Total	395.28	223.45

31 OTHER EXPENSES

Particulars	(₹ in millions)	
	Year ended March 31, 2026	Year ended March 31, 2025
Operating expenses		
Installation and project administration charges	1,629.69	1,488.47
Insurance paid projects	125.35	116.14
Inward freight	14.23	11.97
Labour cess	39.68	23.02
	1,808.95	1,639.60
Other selling and administrative expenses		
Auditors remuneration		
- for statutory audit	1.30	0.80
- for other services (Limited Review, IPO Certification, Certification)	0.30	-
Advertisement and sales promotion	19.09	32.95
Donation	-	0.02
Expected Credit Loss	36.36	12.25
CSR expenses	16.57	4.67
Electricity charges	3.27	0.57
Government taxes & interest paid	16.60	2.05
Insurance expenses - General	4.90	1.18
Royalty Expenses	15.33	-
Other expenses	18.81	5.17
Professional fees	13.72	26.66
Rent paid	2.46	1.16
Travelling & conveyance	15.28	10.26
	163.99	97.74
Total other expenses	1,972.94	1,737.34



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**32 RELATED PARTY TRANSACTIONS**

I] Key managerial persons		Relationship	
Gopal Kabra		Chairman, Managing Director and Chief Executive Officer	
Mehul Ajit Shah		Whole-time Director and Chief Operating Officer	
Navaniit Narayandas Mandhaani (w.e.f. October 9, 2024)		Non-Executive Director	
Chandra Iyengar (from December 2, 2024 to Upto February 26, 2026)		Independent Director	
Susheel Dwarkadas Bhandari (w.e.f. December 2, 2024)		Independent Director	
Pooja Pawan Chandak (w.e.f. December 2, 2024)		Independent Director	
Subhash Vasant Ghaisas (w.e.f. February 13, 2026)		Independent Director	
Sunil Kamalkishor Malu (w.e.f. October 9, 2024)		Chief Financial Officer	
Jeevan Santoshkumar Innani (from October 9, 2024 upto March 14, 2026)		Company Secretary and Compliance Officer	
Shubham Suresh Jain (w.e.f. March 16, 2026)		Company Secretary and Compliance Officer	
II] Relatives of key managerial persons		Relationship	
Darshana Kabra		Other Related Person	
Gopal Kabra HUF		Other Related Person	
Rajaram Kabra		Other Related Person	
Chandrakanta Kabra		Other Related Person	
Komal Rathi		Other Related Person	
Ajit Shah		Other Related Person	
Prachi Shah		Other Related Person	
Pratik Shah		Other Related Person	
III] Enterprise over which key managerial personnel and the relative of key managerial personnel exercise control/significant influence (other related concerns)			
Name of Enterprise		Legal status of such entity	
GK Energy Solar Private Limited		Subsidiary Company	
Energy Marketers		Partnership Firm	
Beromt Private Limited		Private Limited Company	
Gopal Kabra Foundation (Formerly Sneh Shekhar CSR Foundation)		Section 8 Company	
IV] Transactions			
Particulars	Name of Related Party	(₹ in millions)	
		Year ended March 31, 2026	Year ended March 31, 2025
Issue of Shares	Ajit Shah	-	2.00
	Prachi Shah	-	2.00
Managerial remuneration	Gopal Kabra	209.91	134.30
	Mehul Ajit Shah	29.94	28.46
	Sunil Kamalkishor Malu	12.00	3.00
	Jeevan Santoshkumar Innani	1.30	0.69
	Shubham Suresh Jain	0.04	-
Director Sitting Fees	Navaniit Narayandas Mandhaani	0.30	0.13
	Chandra Iyengar	0.13	0.13
	Susheel Dwarkadas Bhandari	0.30	0.13
	Pooja Pawan Chandak	0.30	0.13
	Subhash Vasant Ghaisas	0.05	-
Unsecured Loan received from key management personnel	Gopal Kabra	912.00	0.50
Unsecured Loan repaid to key management personnel	Gopal Kabra	912.00	-
Interest paid on unsecured loans	Gopal Kabra	25.82	-
Royalty Paid	Gopal Kabra	15.33	-
Investment into Subsidiary	GK Energy Solar Private Limited	50.00	1.00
Loans and advances given	GK Energy Solar Private Limited	167.06	20.00
Amount Received against Loans and advances given	GK Energy Solar Private Limited	187.06	-
Interest Received from Subsidiary	GK Energy Solar Private Limited	1.95	0.21
Purchase of material and services (gross)	Energy Marketers	-	2.16
Salary Paid	Darshana Kabra (w.e.f. Nov 15, 2025)	0.89	-
VI] Outstanding balances			
Particulars	Name of Related Party	(₹ in millions)	
		Year ended March 31, 2026	Year ended March 31, 2025
Unsecured loans (including deferred liabilities)	Gopal Kabra	58.05	58.05
	Mehul Ajit Shah	2.44	2.44
	Darshana Kabra	7.43	7.43
	Gopal Kabra HUF	4.24	4.24
	Rajaram Kabra	5.06	5.06
	Chandrakanta Kabra	9.10	9.10
Managerial remuneration payable	Gopal Kabra	10.69	0.79
	Mehul Ajit Shah	9.28	1.50
	Sunil Kamalkishor Malu	0.67	0.28
	Jeevan Santoshkumar Innani	0.03	0.09
	Shubham Suresh Jain	0.08	-
	Darshana Kabra (w.e.f. Nov 15, 2025)	0.20	-
Salary Payable	GK Energy Solar Private Limited	-	20.00



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Terms and conditions of transactions with related parties;

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions. Outstanding balances at the year-end are unsecured and settlement occurs in cash.

The Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates, receivables or payables for the year ended March 31, 2026 : ₹ Nil, March 31, 2025 : ₹ Nil.

33 CONTINGENT LIABILITIES

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Contingent liabilities		
Goods and Service Tax	52.38	3.46
Bank guarantees (performance and EMD)*	993.76	556.46
Other Matters	1.72	-
Corporate Guarantee to Wholly Owned Subsidiary	130.00	-
Total	1,177.86	559.92

The Company believes that none of the contingencies described above would have a material adverse effect on the Company's financial condition, results of operations or cash flows.

*Bank guarantees issued by the Company in the course of business to parties in order to ensure performance of the obligation under the contract.

34 CAPITAL COMMITMENTS

There are no capital commitments as at March 31, 2026.

35 TITLE DEEDS OF IMMOVABLE PROPERTY NOT HELD IN NAME OF THE COMPANY

There are no immovable property not held in name of the company.

36 SEGMENTAL REPORTING

According to Ind AS 108, identification of operating segments is based on Chief Operating Decision Maker (CODM) approach for about allocating resources to the segment and assessing its performance. The Board of Directors which are identified as a CODM, consist of managing directors, executive directors and independent directors. The Board of directors of Company assesses the financial performance and position of the group and makes strategic decisions. The business activity of the Company falls within one broad business segment viz. "EPC of Solar Energy Powered Pumps and Other related products" and all of the sale of the product / services is within India. There are no separate reportable segments under Ind AS 108 "Operating Segments" notified under the Companies (Indian Accounting Standard) Rules, 2015. Hence, the disclosure requirement of Ind AS 108 of 'Segment Reporting' is not considered applicable.

37 DISCLOSURES REQUIRED UNDER THE MICRO, SMALL & MEDIUM DEVELOPMENT ACT, 2006

The information as required to be disclosed under the Micro, Small and Medium Enterprises Development Act, 2006 has been determined to the extent such parties have been identified on the basis of information available with the Company. The amount of principal and interest outstanding during the year is given below

Sr No	Particulars	(₹ in millions)	
		As at March 31, 2026	As at March 31, 2025
a)	Amounts outstanding but not due	80.08	22.15
b)	Amounts due but unpaid	-	-
c)	Amounts paid after appointed date during the year	-	-
d)	Amount of interest accrued and unpaid	-	-
e)	Amount of estimated interest due and payable to actual date of payment	-	-

38 REVALUATION OF PROPERTY, PLANT AND EQUIPMENTS

Company has not revalued its Property, Plant and Equipment, and other assets of the company. So the details as required to be provided are not applicable to the company.

39 LOANS AND ADVANCES GRANTED TO PROMOTERS, DIRECTORS AND KMP

The Company has not granted any loans and advances to promoters, directors and key managerial persons.

40 RELATIONSHIP WITH STRUCK OFF COMPANIES

The Company does not have any transactions with struck off companies.

41 DETAILS OF BENAMI PROPERTIES HELD IN NAME OF COMPANY

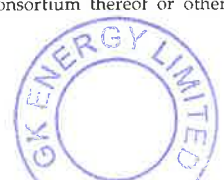
Company does not hold any benami property as defined under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and the rules made thereunder.

42 DISCLOSURE IN CASE OF WILLFUL DEFAULTER

The Company is not declared as willful defaulter by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof or other lender in accordance with the guidelines on willful defaulters issued by the Reserve Bank of India.

43 DISCLOSURE IN CASE OF TRADING AND INVESTMENT IN CRYPTO OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

44 REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

Company have registered and satisfied all the charges as required under the Act with Registrar of Companies.

45 EMPLOYEE BENEFITS

EMPLOYEE PROVIDENT FUND

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Employer's contribution to Provident Fund	2.10	0.99
*Included in " Contribution to Provident and other Funds		

GRATUITY

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Type of benefit	Gratuity	Gratuity
Country	India	India
Reporting currency	₹	₹
Reporting standard	Indian Accounting Standard 19 (Ind AS 19)	Indian Accounting Standard 19 (Ind AS 19)
Funding status	Unfunded	Unfunded
Starting period	01-04-2025	01-04-2024
Date of reporting	31-03-2026	31-03-2025
Period of reporting	12 Months	12 Months
Assumptions (Opening Period)		
Expected return on plan assets	N.A.	N.A.
Rate of discounting	6.82%	7.21%
Rate of salary increase	8.00%	8.00%
Rate of employee turnover	Directors : 1.00% p.a.; Employees : 20.00% p.a.	Directors : 1.00% p.a.; Employees : 20.00% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate
Assumptions (Closing Period)		
Expected return on plan assets	N.A.	N.A.
Rate of discounting	7.36%	6.82%
Rate of salary increase	8.00%	8.00%
Rate of employee turnover	Directors : 1.00% p.a.; Employees : 20.00% p.a.	Directors : 1.00% p.a.; Employees : 20.00% p.a.
Mortality rate during employment	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2012-14) Ultimate

Table Showing Change in the Present Value of Defined Benefit Obligation

Present value of benefit obligation at the beginning of the period	1.50	1.30
Interest cost	0.10	0.09
Current service cost	0.30	0.04
Past service cost - incurred during the period	0.01	-
Liability transferred in/ acquisitions (liability transferred out/ divestments) (benefit paid directly by the employer) (benefit paid from the fund)	- - -	- - -
Actuarial (gains)/losses on obligations - due to change in demographic assumptions	-	-
Actuarial (gains)/losses on obligations - due to change in financial assumptions	(0.13)	0.08
Actuarial (gains)/losses on obligations - due to experience adjustment	0.33	(0.01)
Present value of benefit obligation at the end of the period	2.12	1.50

Table Showing Change in the Fair Value of Plan Assets

Fair value of plan assets at the beginning of the period	-	-
Interest income	-	-
Contributions by the employer	-	-
Assets transferred in/ acquisitions (assets transferred out/ divestments) (benefit paid from the fund)	- - -	- - -
Return on plan assets, excluding interest income	-	-
Fair value of plan assets at the end of the period	-	-



GK ENERGY LIMITED

(Formerly GK Energy Private Limited, GK Energy Marketers Private Limited)

CIN: L74900PN2008PLC132926

Registered Office: 1901, Tower A, Gokhale Business Bay, Paschimnagri, Kothrud, Pune - 411038 (MH)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Actual Return on Plan Assets		
Interest income	-	-
Return on plan assets, excluding interest income	-	-
Actual return on plan assets	-	-
Amount Recognized in the Balance Sheet		
(present value of benefit obligation at the end of the period)	2.12	1.50
Fair value of plan assets at the end of the period	-	-
Funded status (surplus/ (deficit))	2.12	1.50
Net liability/(asset) recognized in the balance sheet	2.12	1.50
Actual Return on Plan Assets		
Present value of benefit obligation at the beginning	1.50	1.30
(fair value of plan assets at the beginning)	-	-
Net liability/(asset) at the beginning	1.50	1.30
Interest cost	0.10	0.09
(interest income)	-	-
Net interest cost for current period	0.10	0.09
Actual Return on Plan Assets		
Current service cost	0.30	0.04
Net interest cost	0.10	0.09
Past service cost - recognized	0.01	-
Expenses recognized in the statement of profit or loss	0.41	0.14
Actual Return on Plan Assets		
Actuarial (gains)/losses on obligation for the period	0.21	0.06
Return on plan assets, excluding interest income	-	-
Expenses recognized in other comprehensive income	0.21	0.06
Balance Sheet Reconciliation		
Opening net liability	1.50	1.30
Expense recognized in statement of profit or loss	0.41	0.14
Expense recognized in other comprehensive income	0.21	0.06
Net liability/(asset) transfer in	-	-
Net (liability)/asset transfer out	-	-
(benefit paid directly by the employer)	-	-
(employer's contribution)	-	-
Net liability/(asset) recognized in the balance sheet	2.12	1.50
Current and Non-Current Liability		
Current liability	0.05	0.04
Non-current liability	2.07	1.46
Net liability/(asset) recognized in the balance sheet	2.12	1.50
Category of Assets		
Government of India assets	-	-
State government securities	-	-
Special deposits scheme	-	-
Corporate bonds	-	-
Cash and cash equivalents	-	-
Insurance fund	-	-
Other	-	-
Total	-	-
Maturity Analysis of the Benefit Payments: From the Employer		
Projected benefits payable in future years from the date of reporting		
1st following year	0.05	0.04
2nd following year	0.05	0.04
3rd following year	0.05	0.04
4th following year	0.12	0.04
5th following year	0.22	0.07
Sum of years 6 to 10	0.82	0.31
Sum of years 11 and above	4.02	3.68
Other Details		
No of active members	150.00	92.00
Per month salary for active members	13.37	1.77
Weighted average duration of defined benefit obligation	12.00	15.00
Defined benefit obligation (DBO)	2.12	1.50
DBO non vested employees	0.73	0.12
DBO vested employees	1.38	1.38
Expected contribution in the next year	-	-



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NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**Sensitivity Analysis**

Defined benefit obligation on current assumptions	2.12	1.50
Delta effect of +1% change in rate of discounting	(0.21)	(0.19)
Delta effect of -1% change in rate of discounting	0.25	0.22
Delta effect of +1% change in rate of salary increase	0.06	0.02
Delta effect of -1% change in rate of salary increase	(0.05)	(0.02)
Delta effect of +1% change in rate of employee turnover	0.15	0.15
Delta effect of -1% change in rate of employee turnover	(0.17)	(0.17)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

change in assumptions would occur in isolation of one another as some of the assumptions may be correlated.

Furthermore, in presenting the above sensitivity analysis, the present value of the defined benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the defined benefit obligation as recognized in the balance sheet. There is no change in the methods and assumptions used in preparing the sensitivity analysis from previous year.

Qualitative Disclosures**Para 139 (a) characteristics of defined benefit plan**

The entity has a defined benefit gratuity plan in India (unfunded). The entity's defined benefit gratuity plan is a final salary plan for employees. Gratuity is paid from entity as and when it becomes due and is paid as per entity scheme for Gratuity.

Para 139 (b) Risks associated with defined benefit plan

Gratuity is a defined benefit plan and entity is exposed to the Following Risks:

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Interest rate risk: A fall in the discount rate which is linked to the G.Sec. Rate will increase the present value of the liability requiring higher provision.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Entity has to manage pay-out based on pay as you go basis from own funds.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Para 139 (c) : Characteristics of defined benefit plans During the year, there were no plan amendments, curtailments and settlements.

Para 147 (a) : Gratuity plan is unfunded.

Actuarial Gains/ Losses are accounted for immediately in the Other Comprehensive Income.

Salary escalation & attrition rate are considered as advised by the entity; they appear to be in line with the industry practice considering promotion and demand & supply of the employees.

Average expected future working life of employees represents Estimated Term of Benefit Obligation.

46 COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

Company is not an investment Company and has not made any investment layers of investment company.

47 DECLARATION OF UNDISCLOSED INCOME IN TAX ASSESSMENTS

The Company does not have any transactions that are not recorded in the books of accounts that have been surrendered or disclosed as income during the year ended March 31, 2026, March 31, 2025 in the tax assessments under the Income Tax Act, 1961.

48 CORPORATE SOCIAL RESPONSIBILITY (CSR)

As per Section 135 of the Companies Act, 2013, expenditure in respect of Corporate Social Responsibility is applicable to the Company for the year ended on 31 March, 2026.

Sr No	Particulars	(₹ in millions)	
		Year ended March 31, 2026	Year ended March 31, 2025
1	Amount required to be spent by the Company during the year	16.57	4.65
2	Amount of expenditure incurred (Including previous years shortfall)	-	5.85
3	Shortfall at the end of the year	16.57	-
4	Total of previous years shortfall	-	-
5	Advance CSR Expenses Made	-	-

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, the unspent CSR amount as on March 31, 2026, has been transferred to a separate account within the prescribed time



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

49 EARNINGS PER SHARE

Particulars	(₹ in millions)	
	Year ended March 31, 2026	Year ended March 31, 2025
Reconciliation of basic and diluted shares used in computing earnings per share		
Nominal value of equity shares (in ₹)	2.00	10.00
No of shares at the beginning of the year	17,01,37,529	12,99,990
Add: Issued / to be issued during the year		
Number of shares at the end of the year	17,01,37,529	12,99,990
Impact of share split (each share of face value ₹ 10 split into ten shares of face value of ₹ 2 each)		64,99,950
Impact of bonus issue (allotment of 162,498,750 bonus shares at face value of ₹ 2 each)		16,24,98,750
Impact of issue of Shares of Rs.2 Each 1,138,829 shares at face value of ₹ 2 each issued at Rs.175 Each)		11,38,829
Impact of issue of Shares of Rs.2 Each 6,535,947 shares at face value of ₹ 2 each issued at Rs.153 Each)	65,35,947	
Impact of issue of Shares of Rs.2 Each 26,143,790 shares at face value of ₹ 2 each issued at Rs.153 Each)	2,61,43,790	
Number of shares considered as weighted average shares and potential shares outstanding for computing diluted earnings per share*	18,73,45,873	16,93,78,310
Computation of basic earnings per share		
Net profit after tax attributable to equity shareholders	2,012.57	1,332.19
Basic earning per equity share (in ₹)	10.74	7.87
Diluted earning per equity share (in ₹)	10.74	7.87
Face value per share (in ₹)	2.00	2.00

Changes in number of shareholders post spit and bonus of shares has been considered while calculating the EPS.

50 FAIR VALUES AND HIERARCHY

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are a) recognized and measured at fair value and b) measured at amortized cost and for which fair values are disclosed in the Financial Statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed in the Indian Accounting Standard.

Financial assets and liabilities measured at amortized cost

Particulars	Carrying value		Fair value	
	As at	As at	As at	As at
	March 31, 2026	March 31, 2025	March 31, 2026	March 31, 2025
Financial assets				
At amortized cost				
Cash and cash equivalents	3,354.77	10.26	3,354.77	10.26
Other bank balances	1,078.00	616.97	1,078.00	616.97
Investments	50.00	1.00	50.00	1.00
Trade receivables	5,860.73	3,608.50	5,860.73	3,608.50
Other financial assets	149.34	179.20	149.34	179.20
Loans	-	20.00	-	20.00
Total financial assets	10,492.84	4,435.93	10,492.84	4,435.93
Financial liabilities				
At amortized cost				
Borrowings	2,026.62	2,177.89	2,026.62	2,177.89
Lease liability	-	1.57	-	1.57
Trade payables	1,348.82	1,172.56	1,348.82	1,172.56
Other financial liabilities	630.80	318.73	630.80	318.73
Total financial liabilities	4,006.24	3,670.75	4,006.24	3,670.75

Carrying amounts of cash and cash equivalents, trade receivables and trade payables, lease liabilities as at March 31, 2026 and 2025 approximate the fair value due to their nature. Carrying amounts of bank deposits, earmarked balances with banks, other financial assets and other financial liabilities which are subsequently measured at amortised cost also approximate the fair value due to their nature in each of the periods presented. Fair value of investments carried at amortised cost is ₹ 50 million

51 RECONCILIATION OF TAX EXPENSE AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S DOMESTIC TAX RATE

Particulars	(₹ in millions)	
	Year ended March 31, 2026	Year ended March 31, 2025
Accounting profit before income tax	2,699.26	1,802.81
India's statutory income tax rate	25.168%	25.168%
At India's statutory income tax rate	679.35	453.73
Effect of rate change	-	-
Effect of non deductible expenses	7.18	1.17
Excess / (Short) provision for tax relating prior year	-	15.68
Others	-	-
Total	686.53	470.58
Effective Rate of Tax	25.43%	26.10%



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

52 FINANCIAL INSTRUMENT - FAIR VALUE AND RISK MANAGEMENT

A CAPITAL MANAGEMENT

For the purpose of Company's Capital Management, capital includes Issued Equity Capital, Securities Premium, and all other Equity Reserves attributable to the Equity Holders of the Company. The primary objective of the Company's Capital Management is to maximize the Share Holder Value.

The Company manages its capital structure and makes adjustments in the light of changes in economic conditions and requirements of the financial covenants and to continue as a going concern. The Company monitors using a gearing ratio which is net debts divided by total equity.

The Company includes within net debt, interest bearing loans and borrowings, less cash and short term deposit.

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Gross debt	2,026.62	2,177.89
Less: cash and short term deposits	4,432.77	627.23
Net debt / (Net Cash) (a)*	(2,406.15)	1,550.66
Equity	405.63	340.28
Other equity	8,440.72	1,750.79
Total equity (b)	8,846.35	2,091.07
Capital and net debt	6,440.20	3,641.73
Net gearing ratio (a/b)*	(0.27)	0.74

* During the year, the Company realised significant trade receivables, resulting in higher cash balances. Accordingly, the Company is in a net cash position as at the reporting date. As a result, the gearing ratio has become negative during the current year. The change in capital structure is primarily attributable to timing of cash flows and does not indicative any structural change in the company's financing strategy

B FINANCIAL RISK MANAGEMENT

The Company's principal financial liabilities comprise loans and borrowings, trade and other payables. The main purpose of these financial liabilities is to finance the operations of the Company. The principal financial assets include trade and other receivables, cash and bank deposits.

The Company has assessed market risk, credit risk and liquidity risk to its financial liabilities.

i. Market Risk

Market Risk is the risk of loss of future earnings, fair values or cash flows that may result from a change in the price of a financial instrument, as a result of interest rates and other price risks. Financial instruments affected by market risks, primarily include loans and payables.

Interest Rate Risks

The Company borrows funds in Indian Rupees to meet both the long term and short term funding requirements. Interest rate is fixed for the tenor of the Long term loans availed by the Company. Interest on Short term borrowings is subject to floating interest rate and are repriced regularly. The sensitivity analysis detailed below have been determined based on the exposure to variable interest rates on the average outstanding amounts due to bankers over a year.

If the interest rates had been 1% higher / lower and all other variables held constant, the company's profit for the year ended 31st March, 2026 would have been decreased/increased by ₹ 14.06 million, ₹ 4.70 million for 31st March, 2025.

ii. Credit Risk

Credit Risk is the risk that a counterparty will default on its contractual obligations resulting in a financial loss to the Company. It arises from credit exposure to customers and Balances with Banks.

The Company holds cash and cash equivalents with banks which are having highest safety rankings and hence has a low credit risk.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry and country in which the customer operates, also has an influence on credit risk assessment. The Company's receivables can be classified in to two categories, one is from the customers/dealers in the market and second one is from the Government of India/State. As far as receivables from the Government are concerned, credit risk is Nil. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The outstanding trade receivables due for a period exceeding 180 days as at the period ended 31st March 2026 is 1.43%, 31st March 2025 is 11.03%, of the total trade receivables. The Company uses Expected Credit Loss (ECL) Model to assess the impairment loss or gain.

Reconciliation of ECL

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Balance at the beginning	12.25	-
Impairment loss recognized (Trade Receivable)	34.63	12.25
Impairment loss recognized (Loans and Advances)	1.73	-
Impairment loss reversed	-	-
Balance at the end	48.61	12.25

iii. Liquidity Risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset.

The Company manages liquidity risk by maintaining adequate surplus, banking facilities and reserve borrowings facilities by continuously monitoring forecasts and actual cash flows.

All payments are made along due dates and requests for early payments are entertained after due approval and availing early payment discounts. The Company has a system of forecasting long one month cash inflow and outflow and all liquidity requirements are planned.



NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

iv. Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted and include estimated interest payments.

Particulars	Carrying amount	Less than 1 year	2-5 years	More than 5 Years
As at March 31, 2026				
Borrowings	2,026.62	1,873.74	152.88	-
Lease liabilities	-	-	-	-
Trade payables	1,348.82	1,341.45	7.37	-
Other financial liabilities	630.80	630.80	-	-
Total	4,006.24	3,845.99	160.25	-
As at March 31, 2025				
Borrowings	2,177.89	2,054.23	123.66	-
Lease liabilities	1.57	0.40	1.17	-
Trade payables	1,172.56	1,167.88	4.68	-
Other financial liabilities	318.73	314.11	4.62	-
Total	3,670.75	3,536.62	134.13	-

v. Foreign Exchange Risk

The Company is not directly exposed to foreign exchange rise as no direct foreign currency transactions are entered into.

53 UNHEDGED FOREIGN CURRENCY BALANCES

The company does not have the any foreign currency balances.

54 DETAILS OF FOREIGN CURRENCY TRANSACTIONS

(Cash Basis)

Particulars	For the year March 31, 2026	For the year March 31, 2025
Inflow	-	-
Outflow		
Import of Services	8.37	9.42

55 STATEMENT OF UTILIZATION OF IPO PROCEEDS

The Company has completed its initial public offer (IPO) of fresh issue of 30,343,790 equity shares of face value of Rs. 2 each at an issue price of Rs. 153 per share. The equity shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) on September 26, 2025. The issue comprised of a fresh issue of 26,143,790 equity shares aggregating to, 4,000.00 millions and offer for sale of 4,200,000 equity shares by selling shareholders aggregating to, 642.60 millions.

The Company's share of total offer expenses are estimated to be Rs 310.57 millions. The details of utilisation of IPO proceeds (net of IPO expenses of INR 310.57 million) is as below:

Sr. No	Particulars	Amount as proposed in the Offer Document	As at beginning of the Year	Amount utilised During the year	At the end of the Year	Total unutilised amount
1	Funding our long-term working capital requirements	3,224.58	-	3,224.58	3,224.58	-
2	General Corporate Purposes*	464.85	-	464.85	464.85	-
	Total	3,689.43	-	3,689.43	3,689.43	-

* The Company, in accordance with the resolution duly passed by the IPO Committee at its meeting held on October 13, 2025 and thereafter ratified and approved by the Board of Directors at its meeting held on November 14, 2025, has approved, inter alia, the inclusion of tax-related payments within the scope of 'General Corporate Purposes'.

** IPO expenses of ₹ 110.68 millions have been accrued but are pending payment as at March 31, 2026. The corresponding funds are lying in the designated bank account and will be utilised upon settlement of these expenses

56 ADDITIONAL/EXPLANATORY INFORMATION

a Movement in provisions as required by IND AS - 37 - "Provisions, Contingent Liabilities and Contingent Asset"

Particulars	As at March 31, 2025	Provided during the year	Used during the year	Reversed during the year	As at March 31, 2026
Gratuity	1.50	0.62	-	-	2.12
Total	1.50	0.62	-	-	2.12

57 DISCLOSURE PURSUANT TO SECTION 186 OF COMPANIES ACT, 2013

Particulars	Investment made/ Loan Given during the year	Balance of investment/ Loan given as on March 31, 2026	Balance of investment/ Loan given as on March 31, 2025	Rate of Interest
GK Energy Solar Private Limited - Investments	49.00	50.00	1.00	NA
GK Energy Solar Private Limited - Loan Given	167.05	-	20.00	0.00%
GK Energy Solar Private Limited - Corporate Guarantee	130.00	-	-	NA

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

58 LEASES

a Carrying Value of Right of use assets

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Opening carrying value of right of use assets	1.49	1.87
Addition	-	-
Deletion	(1.21)	-
Amortization	(0.28)	(0.38)
Closing carrying value of right of use assets	-	1.49

b The following is the break-up of current and non-current lease liabilities

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Current lease liabilities	-	0.39
Non-current lease liabilities	-	1.18
Total	-	1.57

c The following is the movement in lease liabilities during the year

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Opening balance of lease liabilities	1.57	1.84
Addition	-	-
Deletion	(1.33)	-
Finance cost accrued during the period	0.16	0.15
Payment of lease liabilities	(0.40)	(0.42)
Closing balance of lease liabilities	-	1.57

d The table below provides details regarding the contractual maturities of lease liabilities

Particulars	(₹ in millions)	
	As at March 31, 2026	As at March 31, 2025
Lease liabilities (undiscounted)	-	-
Less than one year	-	0.44
Later than one year but not later than three years	-	0.95
Later than three years	-	0.47
Total	-	1.86
Lease liabilities (discounted)	-	-
Less than one year	-	0.39
Later than one year but not later than five years	-	0.73
Later than five years	-	0.45
Total	-	1.57

59 KEY FINANCIAL RATIOS

Sr No	Particulars	Formulae	As at March 31, 2026	As at March 31, 2025	Variance	Reason
(a)	Current ratio	Current assets / Current liabilities	2.95	1.54	91.46%	Increase in Current Assets
(b)	Debt-equity ratio	Debt / Shareholders Equity	0.23	1.04	-78.00%	Increase in Equity due to IPO
(c)	Debt service coverage ratio	(PAT+Interest+Depreciation) / (Repayment of Borrowings+Interest)	4.57	6.35	-28.09%	Improvement in Financial Performance
(d)	Return on equity ratio	Profit / Shareholders Equity	22.75%	63.71%	-64.29%	Increase in shareholders equity post Public issue of shares
(e)	Inventory turnover ratio	(COGS + Purchase of Stock in Trade) / Average Inventory	16.98	17.65	-3.79%	-
(f)	Trade receivables turnover ratio	Revenue / Average Debtors	3.24	4.27	-24.20%	-
(g)	Trade payables turnover ratio	COGS / Average Trade Payables	7.96	7.65	4.02%	-
(h)	Net capital turnover ratio	Turnover / Net Current Assets	1.97	5.60	-64.83%	Increase in net current assets equity post Public issue of shares
(i)	Net profit ratio	Profit / Turnover	13.13%	12.17%	7.93%	-
(j)	Return on capital employed	PBIT / (Shareholders Equity + Net Debt)	48.05%	55.64%	-13.64%	-
(k)	Return on investment	NA	NA	NA	NA	-



GK ENERGY LIMITED

(Formerly GK Energy Private Limited, GK Energy Marketers Private Limited)

CIN: L74900PN2008PLC132926

Registered Office: 1901, Tower A, Gokhale Business Bay, Paschimnagri, Kothrud, Pune - 411038 (MH)

NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

60 UTILISATION OF BORROWED FUNDS

- a. The Company has not advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries). So the details as required to be provided are not applicable to the company.
- b. The Company has not received any funds from any person(s) or entity(ies), including foreign entities (funding party) with the understanding (whether recorded in writing or otherwise). So the details as required to be provided are not applicable to the company.
- 61 The Company have 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 directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

62 MATERIAL REGROUPING

Appropriate regroupings have been made in the Balance Sheet, Statement of Profit & Loss and Statement of Cashflows, wherever required, by reclassification of the corresponding items of income, expenses, assets, liabilities and cashflows, in order to bring them in line with the accounting policies and classification as per Ind AS financial information of the Company for the years ended 31 March 2026, 31 March 2025 prepared in accordance with Schedule III of Companies Act, 2013, requirements of Ind AS 1 and other applicable Ind AS principles.

For Bharat J. Rughani & Co
Chartered Accountants
Firm Registration No: 101220W

CA Bharat J. Rughani
Partner
Membership No. 040543

Date :- May 13, 2026

Place :- Pune

UDIN: 26040543JXYTQIS975



For and on Behalf of the Board of Directors of GK Energy Limited
(Formerly GK Energy Private Limited,
GK Energy Marketers Private Limited)

Gopal Kabra
Managing Director & CEO
DIN: 02343128
Date :- May 13, 2026
Place :- Pune

Sunil Kamalkishor Malu
Chief Financial Officer
Date :- May 13, 2026
Place :- Pune

Mehul Ajit Shah
Whole-Time Director
DIN: 03508348
Date :- May 13, 2026
Place :- Pune

Shubham Suresh Jain
Company Secretary and
Compliance Officer
Membership No. A76578
Date :- May 13, 2026
Place :- Pune

