AMARA RAJA POWER SYSTEMS LIMITED

CIN: U31102AP1984PLC005165

Corporate Information

Board of Directors

Mr. Vikramadithya Gourineni	Director
Mr. Harshavardhana Gourineni	Director
Mr. Daiva Prakash Geddam	Whole time Director
Mrs. Ravali Mulagada	Company Secretary
Statutory Auditors:	M/s. Price Waterhouse Chartered Accountants LLP, Chartered Accountant(s) (“PWC”)

Registered Office:

Renigunta, Cuddapah road, Karakambadi, Chittoor, Tirupati, Andhra Pradesh, India, 517520

Price Waterhouse Chartered Accountants LLP

Independent Auditor's Report

To the Members of Amara Raja Power Systems Limited

Report on the Audit of the Financial Statements

Opinion

1. We have audited the accompanying financial statements of Amara Raja Power Systems Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2026, and 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 financial statements, including material accounting policy information and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and total comprehensive loss (comprising of loss and other comprehensive income), changes in equity and its cash flows for the year then ended.

Basis for Opinion

3. 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 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 financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Information

4. The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Annual report, but does not include the financial statements and our auditor's report thereon.

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

   In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

   We have nothing to report in this regard.

Price Waterhouse Chartered Accountants LLP, LLPIN AAC-5001, FRN 012754N/N500016, Hyderabad

Price Waterhouse Chartered Accountants LLP

INDEPENDENT AUDITOR'S REPORT

To the Members of Amara Raja Power Systems Limited
Report on Audit of the Financial Statements

Responsibilities of management and those charged with governance for the financial statements

5. 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 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 accounting principles generally accepted in India, including the Indian Accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

6. In preparing the financial statements, Board of Directors 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 Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditor's responsibilities for the audit of the financial statements

8. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

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

   - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

   - Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.

   - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

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

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

11. 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.

Other Matter

12. The financial statements of the Company for the year ended March 31, 2025, were audited by prior auditors under the Act who, vide their report dated May 26, 2025, expressed an unmodified opinion on those financial statements.

Report on other legal and regulatory requirements

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

14. 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, except for the matters stated in paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

    (c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive 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 financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.

    (e) On the basis of the written representations received from the directors as on April 1, 2026, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164(2) of the Act.

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(f) With respect to the maintenance of accounts and other matters connected therewith, reference is made to our remarks in paragraph 14(b) above and paragraph 14(h)(vi) below.

(g) With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".

(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 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 29(i) to the financial statements;

ii. The Company was not required to recognise a provision as at March 31, 2026 under the applicable law or Indian Accounting Standards, as it does not have any material foreseeable losses on long-term contracts. The Company did not have any long term derivative contracts as at March 31, 2026.

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company during the year ended March 31, 2026.

iv. (a) The management has represented that, to the best of its knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(b) The management has represented that, to the best of its knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

(c) Based on such audit procedures that we 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 (a) and (b) contain any material misstatement.

v. The Company has not declared or paid any dividend during the year.

vi. Based on our examination, which included test checks, the Company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and that has operated throughout the year for all relevant transactions recorded in the software, except for modifications if any, made by certain users with specific access and for direct database changes. During the course of performing our procedures, other than the aforesaid instances of audit trail not maintained where the question of our commenting does not arise, we did not notice any instance of audit trail feature being tampered with. Further, the audit trail, to the extent maintained in the prior year, has been preserved by the Company as per the statutory requirements for record retention.

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15. The Company has paid for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Pranav Kumar Evani
Partner
Membership Number: 515171
UDIN: 26515171FLVIVP6209

Place: Hyderabad
Date: May 23, 2026

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Amara Raja Power Systems Limited on the financial statements as of and for the year ended March 31, 2026

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of Section 143 of the Act

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

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

5. 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 system with reference to financial statements.

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Hyderabad

Price Waterhouse Chartered Accountants LLP

Annexure A to Independent Auditor's Report

Referred to in paragraph 14(g) of the Independent Auditor's Report of even date to the members of Amara Raja Power Systems Limited on the financial statements as of and for the year ended March 31, 2026

Meaning of Internal Financial Controls with reference to financial statements

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

Inherent Limitations of Internal Financial Controls with reference to financial statements

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

Opinion

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

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Evani

Pranav Kumar Evani
Partner
Membership Number: 515171
UDIN: 26515171FLVIVP6209

Place: Hyderabad
Date: May 23, 2026

Price Waterhouse Chartered Accountants LLP

Annexure B to Independent Auditor's Report

Referred to in paragraph 13 of the Independent Auditor's Report of even date to the members of Amara Raja Power Systems Limited on the financial statements for the year ended March 31, 2026

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

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

(B) The Company is maintaining proper records showing full particulars of Intangible Assets.

(b) The Property, Plant and Equipment of the Company are physically verified by the Management according to a phased programme designed to cover all the items over a period of 3 years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, 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 3.1 to the financial statements, are held in the name of the Company.

(d) The Company has not revalued its Property, Plant and Equipment (including Right of Use assets) 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 (including Right of Use assets) or Intangible Assets does not arise.

(e) No proceedings have been initiated on (or) are pending against the Company for holding benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended in 2016) (formerly 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 the financial statements, does not arise.

ii. (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.

(b) During the year, the Company has been sanctioned working capital limits in excess of Rs. 5 crores, in aggregate, from banks on the basis of security of current assets. The Company has filed monthly statements with such banks, which are in agreement with the unaudited books of account.

iii. The Company has not made any investments, granted secured/ unsecured loans/advances in nature of loans, or stood guarantee, or provided security to any parties. Therefore, the reporting under clause 3(iii), (iii)(a), (iii)(b), (iii)(c), (iii)(d), (iii)(e) and (iii)(f) of the Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments or provided any guarantees or security to the parties covered under Sections 185 and 186. Therefore, the reporting under clause 3(iv) of the Order are not applicable to the Company.

v. The Company has not accepted any deposits or amounts which are deemed to be deposits referred in Sections 73, 74, 75 and 76 of the Act and the Rules framed there under. Accordingly, the reporting under clause 3(v) of the Order is not applicable to the Company.

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vi. Pursuant to the rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148(1) of the Act in respect of its products. We have broadly reviewed the books of account maintained by the Company pursuant to the said requirement, and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) In our opinion, the Company is regular in depositing the undisputed statutory dues, including goods and services tax, provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess, and other statutory dues, as applicable, with the appropriate authorities.

(b) There are no statutory dues of Provident fund, employees' state insurance, sales tax, duty of customs, duty of excise, value added tax, cess, which have not been deposited on account of any dispute. The particulars of other statutory dues referred to in sub-clause (a) as at March 31, 2026 which have not been deposited on account of a dispute, are as follows:

Name of the statute	Nature of dues	Amount (Rs. In lakhs)	Amount paid under protest (Rs. In lakhs)	Period to which the amount relates (Rs. In lakhs)	Forum where the dispute is pending
Income tax act, 1961	Income tax/ interest	439.98	112.94	AY 2020-21	Commissioner of income tax (Appeals)
Income tax act, 1961	Income tax and interest	69.44	-	AY 2012-13	Commissioner of income tax (Appeals)
Andhra Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax, interest and penalty	323.18	18.3	FY 2019-20	Additional Commissioner, Vijayawada
Andhra Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax, interest and penalty	298.51	10.41	FY 2017-18	Additional Commissioner, Vijayawada
Finance act, 1994	Service tax, interest and penalty	244.65	5.98	FY 2014-15 to June 2017	Customs, Excise and Service Tax Appellate Tribunal, Hyderabad

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Andhra Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax, interest and penalty	169.72	5.8	FY 2018-19	Additional Commissioner, Vijayawada
Andhra Pradesh Goods and Services Tax Act, 2017	Goods and Services Tax, interest and penalty	48.56	17.67	FY 2017-18	Joint Commissioner of Central Tax (Appeals), Guntur
A.P. Tax on Entry of Goods into Local areas Act, 2001	Entry tax	0.23	-	FY 2012-23	Appellate Deputy Commissioner, Tirupati

viii. There are no transactions previously unrecorded in the books of account that have been surrendered or disclosed as income during the year in the tax assessments under the Income-tax Act, 1961.

ix. (a) The Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year.

(b) On the basis of our audit procedures, we report that the Company has not been declared Wilful Defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion, the term loans have been applied for the purposes for which they were obtained.

(d) Acording to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company

(e) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(e) of the Order is not applicable to the Company.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company did not have any subsidiaries, joint ventures or associate companies during the year. Accordingly, reporting under clause 3(ix)(f) of the Order is not applicable to the Company.

x. (a) The Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the reporting under clause 3(x)(a) of the Order is not applicable to the Company.

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(b) The Company has not made any preferential allotment or private placement of shares or fully or partially or optionally convertible debentures during the year. Accordingly, the reporting under clause 3(x)(b) of the Order is not applicable to the Company.

xi. (a) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud by the Company or on the Company, noticed or reported during the year, nor have we been informed of any such case by the Management.

(b) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, a report under Section 143(12) of the Act, in Form ADT-4, as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 was not required to be filed by us, as statutory auditors, with the Central Government. Further, no such report has been filed by any other auditor appointed by the Company under the Act. Accordingly, the reporting under clause 3(xi)(b) of the Order is not applicable to the Company.

(c) During the course of our examination of the books and records of the Company carried out in accordance with the generally accepted auditing practices in India, and as represented to us by the management, no whistle-blower complaints have been received during the year by the Company. Accordingly, the reporting under clause 3(xi)(c) of the Order is not applicable to the Company.

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

xiii. The Company has entered into transactions with related parties in compliance with the provisions of Section 188 of the Act. The details of related party transactions have been disclosed in the financial statements as required under Indian Accounting Standard 24 "Related Party Disclosures" specified under Section 133 of the Act. Further, the Company is not required to constitute an Audit Committee under Section 177 of the Act and, accordingly, to this extent, the reporting under clause 3(xiii) of the Order is not applicable to the Company.

xiv. (a) The internal audit of the Company is covered under the group internal audit pursuant to which an internal audit is carried out every year. In our opinion, the Company's internal audit system is commensurate with the size and nature of its business.

(b) The reports of the Internal Auditor for the period under audit have been considered by us.

xv. In our opinion, the Company has not entered into any non-cash transactions with its directors or persons connected with the director(s). Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.

xvi. (a) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the reporting under clause 3(xvi)(a) of the Order is not applicable to the Company.

(b) The Company has not conducted non-banking financial / housing finance activities during the year. Accordingly, the reporting under clause 3(xvi)(b) of the Order is not applicable to the Company.

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

(d) In our opinion, the Group as defined in the Reserve Bank of India (Core Investment Companies) Directions, 2025 does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.

xvii. The Company has incurred cash losses of Rs. 1,955.74 lakhs in the financial year and had not incurred cash losses in the immediately preceding financial year.

xviii. There has been no resignation of the statutory auditors during the year and, accordingly, the reporting under clause 3(xviii) of the Order is not applicable.

xix. On the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that the 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. The provisions relating to Corporate Social Responsibility under Section 135 of the Act are not applicable to the Company. Accordingly, reporting under clause 3(xx) of the Order is not applicable to the Company.

xxi. The Company does not have subsidiaries or joint ventures or associate companies and does not prepare Consolidated Financial Statements. Accordingly, the reporting under clause 3(xxi) of the Order is not applicable to the Company.

For Price Waterhouse Chartered Accountants LLP
Firm Registration Number: 012754N/N500016

Evani

Pranav Kumar Evani
Partner
Membership Number: 515171
UDIN: 26515171FLVIVP6209

Place: Hyderabad
Date: May 23, 2026

Amara Raja Power Systems Limited
CIN: U31102AP1984PLC005165
Balance Sheet as at March 31, 2026
(All amounts are in ₹ in lakhs, except share data and where otherwise stated)

	Note	As at March 31, 2026	As at March 31, 2025
A ASSETS			
Non-Current Assets			
(a) Property, plant and equipment	3.1	6,285.92	2,458.77
(b) Right-of-use assets	3.2	2.99	4.79
(c) Capital work-in-progress	3.1	179.56	3.50
(d) Other intangible assets	4	1,218.54	1,365.00
(e) Intangible assets under development	4	5.00	56.30
(f) Financial assets			
(i) Investments	5	-	18.67
(ii) Other financial assets	6	142.74	142.72
(g) Income tax assets (net)	19	394.04	307.42
(h) Deferred tax assets (net)	16	798.94	112.46
(i) Other non-current assets	10	140.04	78.05
Total non-current assets		**9,167.77**	**4,547.68**
Current Assets			
(a) Inventories	7	5,980.51	1,838.69
(b) Financial assets			
(i) Investments	5	-	102.37
(ii) Trade receivables	8	4,395.68	6,381.14
(iii) Cash and cash equivalents	9(a)	2,597.99	-
(iv) Bank balances other than (iii) above	9(b)	78.21	81.29
(v) Other financial assets	6	390.50	408.22
(c) Other current assets	10	1,673.99	332.37
Total current assets		**15,116.88**	**9,144.08**
Total assets		**24,284.65**	**13,691.76**
B EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	11	939.80	939.80
(b) Other equity	12	6,203.99	8,161.05
Total equity		**7,143.79**	**9,100.85**
Liabilities			
Non-current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	5,000.00	-
(ii) Lease liabilities	14	1.36	3.19
(b) Provisions	15	546.82	342.54
(c) Other non-current liabilities	20	12.03	14.39
Total non-current liabilities		**5,560.21**	**360.12**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	13	7,500.00	5.33
(ii) Lease liabilities	14	1.83	1.58
(iii) Trade Payables	17		
(a) total outstanding dues dues of micro and small enterprises		1,059.07	721.83
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises		1,921.20	2,661.71
(iv) Other financial liabilities	18	326.33	175.26
(b) Provisions	15	291.09	134.41
(c) Other current liabilities	20	481.13	530.67
Total current liabilities		**11,580.65**	**4,230.79**
Total equity and liabilities		**24,284.65**	**13,691.76**
Corporate information	1		
Key Accounting Estimates and Judgements, Material and Other accounting policies	2		

See accompanying notes to the financial statements

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Pranav Kumar Evani
Partner
Membership Number: 515171

Place: Hyderabad
Date: May 23, 2026

For and on behalf of the Board of Directors

Harshavardhana Gourineni
Director
DIN: 07311410

Vikramadithya Gourineni
Director
DIN: 03167659

Ravali Mulagada
Company Secretary

Place: Hyderabad
Date: May 23, 2026

AMARA RAJA POWER SYSTEMS LTD. *

Amara Raja Power Systems Limited
CIN: U31102AP1984PLC005165
Statement of Profit and Loss for the year ended March 31, 2026
(All amounts are in ₹ in lakhs, except share data and where otherwise stated)

		Note	For the year ended March 31, 2026	For the year ended March 31, 2025
	Income			
I	Revenue from Operations	21	14,931.93	15,036.74
II	Other Income	22	112.28	162.95
III	**Total Income (I+II)**		**15,044.21**	**15,199.69**
IV	**Expenses**			
	Cost of materials consumed		8,380.48	9,355.50
	Purchases of stock-in-trade		2,751.41	1,882.63
	Changes in inventories of finished goods, work in progress and stock in trade	23	19.13	(574.30)
	Employee benefits expense	24	2,986.25	2,394.44
	Finance costs	25	75.01	21.12
	Depreciation and amortisation expense	26	600.45	592.46
	Other expenses	27	2,722.11	1,413.44
	Total expenses		**17,534.84**	**15,085.29**
V	**Profit/(Loss) before exceptional items and tax (III-IV)**		**(2,490.63)**	**114.40**
VI	Exceptional items (net)	37	250.41	-
VII	**Profit/(Loss) before tax (V-VI)**		**(2,741.04)**	**114.40**
VIII	**Tax expense**	28		
	(i) Current tax		15.30	9.52
	(ii) Deferred tax		(686.48)	27.74
	Total tax expense/(credit)		**(671.18)**	**37.26**
IX	**Profit/(Loss) for the year (VII-VIII)**		**(2,069.86)**	**77.14**
X	**Other comprehensive income**			
	(i) Items that will not be reclassified to profit or loss:			
	(a) Remeasurements of the defined benefit plans		112.80	8.13
	Other comprehensive income		**112.80**	**8.13**
XI	**Total comprehensive income/(loss) for the year (IX+X)**		**(1,957.06)**	**85.27**
	Earnings per equity share (of ₹ 10/- each)			
	Basic and Diluted (₹)		(22.02)	0.82
	Corporate information	1		
	Key Accounting Estimates and Judgements, Material and Other accounting policies	2		

See accompanying notes to the financial statements

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Pranav Kumar Evani
Partner
Membership Number: 515171

Place: Hyderabad
Date: May 23, 2026

For and on behalf of the Board of Directors

Harshavardhana Gourineni
Director
DIN: 07311410

Vikramadithya Gourineni
Director
DIN: 03167659

Ravali Mulagada
Company Secretary

Place: Hyderabad
Date: May 23, 2026

AMARA RAJA POWER SYSTEMS LTD.

Amara Raja Power Systems Limited
CIN: U31102AP1984PLC005165
Statement of Cash Flows for the year ended March 31, 2026
(All amounts are in ₹ in lakhs, except share data and where otherwise stated)

	For the year ended March 31, 2026	For the year ended March 31, 2025
A Cash flows from operating activities		
Profit/(Loss) before tax	(2,741.04)	114.40
Adjustments for:		
Depreciation and amortisation expense	600.45	592.46
Finance costs	75.01	21.12
Profit/loss on sale/written off of property, plant and equipment (net)	(0.66)	1.78
Interest income on bank deposits	(8.80)	(10.76)
Dividend from equity investments designated at FVTPL	(0.70)	(0.53)
Gain on disposal of investments	(31.85)	(35.56)
Net gain arising on financial assets mandatorily measured at FVTPL	-	(0.25)
Net (gain)/loss arising on non current financial assets measured at FVTPL	-	4.08
Liabilities no longer required written back	(37.02)	(84.03)
Provision for doubtful trade receivables	84.67	35.16
Provision for doubtful security deposits	99.81	33.03
Net unrealised foreign exchange gain	(1.03)	-
Operating profit/(loss) before working capital changes	**(1,961.16)**	**670.90**
Movements in working capital		
Adjustments for (increase)/decrease in operating assets:		
- Trade receivables	1,901.60	(224.62)
- Inventories	(4,141.82)	(393.48)
- Other assets	(1,409.60)	42.31
Adjustments for increase/(decrease) in operating liabilities:		
- Trade payables	(403.05)	(602.99)
- Other liabilities	94.96	63.38
- Provisions	473.76	181.66
Cash generated from operations	**(5,445.31)**	**(262.84)**
Income taxes paid (net)	(101.92)	(156.84)
Net cash generated from/(used in) operating activities [A]	**(5,547.23)**	**(419.68)**
B Cash flows from investing activities		
Purchase of property, plant and equipment	(4,475.87)	(558.89)
Proceeds from sale of property, plant and equipment	30.56	0.11
Purchase of current investments	(7,159.64)	(4,179.79)
Proceeds from sale / redemption of current investments	7,283.03	4,939.73
Proceeds from sale of non current investments	29.50	-
Margin money deposit made	(7.49)	(11.81)
Margin money deposit received	-	50.00
Interest received	8.19	10.48
Dividend income	1.18	0.05
Net cash from/(used in) investing activities [B]	**(4,290.54)**	**249.88**
C Cash flows from financing activities		
Proceeds from borrowings	12,500.00	5.33
Repayment of borrowings	(5.33)	-
Repayment of lease liabilities	(1.58)	(0.49)
Finance costs (including on lease liabilities)	(57.33)	(21.12)
Net cash from/(used in) financing activities (C)	**12,435.76**	**(16.28)**
Net Increase/(decrease) in cash and cash equivalents (A+B+C)	**2,597.99**	**(186.08)**
Cash and cash equivalents at the beginning of the year	-	186.08
Cash and cash equivalents at the end of the year (Refer Note 9 (a))	**2,597.99**	**-**

Notes:

a) The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Indian Accounting Standard (Ind AS - 7) - Statement of Cash Flows.

b) **Reconciliation of liabilities from financing activities for the year ended March 31, 2026**

	As at March 31, 2025	Cash flows	Non cash changes	As at March 31, 2026
Borrowings	5.33	12,494.67	-	12,500.00
Lease liability	4.77	(1.95)	0.37	3.19
Total	**10.10**	**12,492.72**	**0.37**	**12,503.19**

Reconciliation of liabilities from financing activities for the year ended March 31, 2025

	As at March 31, 2024	Cash flows	Non cash changes	As at March 31, 2025
Borrowings	-	5.33	-	5.33
Lease liability	-	(0.64)	5.41	4.77
Total	-	**4.69**	**5.41**	**10.10**

See accompanying notes to the financial statements

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Pranav Kumar Evani
Partner
Membership Number: 515171

Place: Hyderabad
Date: May 23, 2026

For and on behalf of the Board of Directors

Harshavardhana Gourineni
Director
DIN: 07311410

Vikramadithya Gourineni
Director
DIN: 03167659

Ravali Mulagada
Company Secretary

Place: Hyderabad
Date: May 23, 2026

AMARA RAJA POWER SYSTEMS LTD.

Amara Raja Power Systems Limited
CIN: U31102AP1984PLC005165
Statement of Changes in Equity for the year ended March 31, 2026
(All amounts are in ₹ in lakhs, except share data and where otherwise stated)

A) Equity share capital

	As at March 31, 2026	As at March 31, 2025
Balance at the beginning of the year	939.80	939.80
Changes in equity share capital during the year	-	-
Balance at the end of the year	**939.80**	**939.80**

B) Other equity

	Reserves and surplus				Total
	Securities premium	Capital Reserve	General Reserve	Retained Earnings	
Balance at March 31, 2024	**1,151.70**	**81.61**	**93.41**	**6,749.06**	**8,075.78**
Profit for the year	-	-	-	77.14	77.14
Other comprehensive income for the year, net of income tax	-	-	-	8.13	8.13
Total comprehensive income for the year 2024-25	-	-	-	**85.27**	**85.27**
Balance as at March 31, 2025	**1,151.70**	**81.61**	**93.41**	**6,834.33**	**8,161.05**
Loss for the year	-	-	-	(2,069.86)	(2,069.86)
Other comprehensive income for the year, net of income tax	-	-	-	112.80	112.80
Total comprehensive loss for the year 2025-26	-	-	-	**(1,957.06)**	**(1,957.06)**
Balance as at March 31, 2026	**1,151.70**	**81.61**	**93.41**	**4,877.27**	**6,203.99**

See accompanying notes to the financial statements

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Pranav Kumar Evani
Partner
Membership Number: 515171

Place: Hyderabad
Date: May 23, 2026

For and on behalf of the Board of Directors

Harshavardhana Gourineni
Director
DIN: 07311410

Vikramadithya Gourineni
Director
DIN: 03167659

Ravali Mulagada
Company Secretary

Place: Hyderabad
Date: May 23, 2026

AMARA RAJA POWER SYSTEMS LTD.

1 Corporate information

Amara Raja Power System Limited is a Public Limited Company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. The registered office of the company is located at Renigunta, Cuddapah Road, Karakambadi, Chitoor, Andhra Pradesh - 517520.

The company is principally engaged in manufacturing and selling of Power Conversion products towards the emerging segments of EV Charging, Energy Storage solutions, Home Energy and other critical Industrial applications including Railway signaling.

2 Basis of preparation, Key Accounting Estimates and Judgements, Material and Other Accounting Policies

2.1 Basis of preparation

(a) Statement of Compliance

These financial statements are prepared in accordance with Indian Accounting Standards "Ind AS" notified under Section 133 of the Companies Act, 2013 "the Act" read together with the Companies (Indian Accounting Standards) Rules, 2015 (as amended). The financial statements have also been prepared in accordance with the relevant presentation requirements of the Act.

(b) Basis of preparation and presentation.

These financial statements have been prepared on historical cost convention and on an accrual basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies set out below. These financial statements are presented in Indian Rupees (₹) which is also the Company's functional currency.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

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 liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

(c) Operating Cycle

All assets have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act and Ind AS 1 – Presentation of Financial Statements, based on the nature of the products and the time between the acquisition of assets for processing and their realization in cash and cash equivalents.

(d) New and amended standards adopted by the Company

The Ministry of Corporate Affairs vide notification dated 7 May 2025 and 13 August 2025 notified the Companies (Indian Accounting Standards) Amendment Rules, 2025 and Companies (Indian Accounting Standards) Second Amendment Rules, 2025, respectively, which amended certain accounting standards (see below), and are effective for annual reporting periods beginning on or after April 1, 2025:

(i) Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1
(ii) Supplier Finance Arrangements – Amendments to Ind AS 7 and Ind AS 107
(iii) International Tax Reform – Pillar Two Model Rules – Amendments to Ind AS 12
(iv) Lack of Exchangeability – Amendments to Ind AS 21

These amendments did not have any material impact on the amounts recognised in prior periods and are not expected to significantly affect the current or future periods.

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AMARA RAJA POWER SYSTEMS LTD. ★

New standards or amendments not yet adopted

Classification of Liabilities as Current or Non-current and Non-current Liabilities with Covenants – Amendments to Ind AS 1 - This amendment also includes specific provisions that will take effect for reporting periods beginning on or after 1 April 2026, as outlined below.

Under the existing Ind AS 1, where there is a breach of a material provision of a long-term loan arrangement on or before the end of the reporting period with the effect that the liability becomes payable on demand on the reporting date, the entity does not classify the liability as current, if the lender agreed, after the reporting period and before the approval of the financial statements for issue, not to demand payment as a consequence of the breach.

However, the amended requirements stipulate that entities will no longer be permitted to consider lender waivers that are granted after the reporting date but before the financial statements are approved for the purpose of classification of loans. This amendment is required to be applied retrospectively in accordance with Ind AS 8.

The Company does not expect this amendment to have an impact on its financial statements.

2.2 Key accounting estimates and judgements

The preparation of the financial statements in conformity with Ind AS requires Management to make judgements, estimates and assumptions that affect the application of the accounting policies and the reported amounts of assets and liabilities, revenues and expenses and disclosure of contingent liabilities. Actual results may differ from those estimates. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

The following are the critical judgements and estimates that have been made in the process of applying the Company's accounting policies that have the most significant effect on the amounts recognised in the financial statements.

i) Provision for warranty

Provision is made for estimated warranty claims in respect of products sold which are still under warranty at the end of the reporting period. These estimates are established using historical information on the nature, frequency, quantum of warranty claims and corrective actions against product failures and the estimates are reviewed annually for any material changes in assumptions. The timing of outflows will vary based on the actual warranty claims.

ii) Useful lives of property, plant and equipment

Property, plant and equipment represent a significant proportion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by Management at the time the asset is acquired and is reviewed at the end of each reporting period. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology. This reassessment may result in change in depreciation expense in future periods.

iii) Useful lives of Intangible assets

The Company amortises intangible assets on a straight-line basis over estimated useful lives of the assets. The useful life is estimated 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. The estimated useful life is reviewed annually.

iv) Employee benefit obligations

The determination of Company's liability towards employee benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in other comprehensive income. Such valuation depend upon assumptions determined after taking into account inflation, seniority, promotion and other relevant factors. Information about such valuation is provided in the notes to the financial statements.

v) Recognition of deferred tax assets for carried forward tax losses

The Company has recognised deferred tax assets on carried forward tax losses. The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

vi) Other estimates

The preparation of financial statements involves the use of other estimates and assumptions, including but not limited to determination of net realisable value of inventories, measurement of lease liabilities, impairment of assets, expected credit loss on trade receivables, identification of contingent liabilities etc that affect the reported amount of assets, liabilities, disclosure of contingent liabilities at the date of financial statements and the reported amount of revenues and expenses for the reporting period.

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
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AMARA RAJA POWER SYSTEMS LTD.

(All amounts are in ₹ in lakhs, except share data and where otherwise stated)

2.3 Material Accounting Policies

(a) Property, plant and equipment

(i) Recognition and measurement:

Property, Plant and equipment are measured at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost includes deemed cost which represents the carrying value of property, plant and equipment recognised as at April 1, 2017 measured as per the Accounting Standards notified under the Section 133 of the Act, read together with Rule 7 of the Companies (Accounts) Rules, 2014, which the Company elected in accordance with Ind AS 101.

Cost comprises the purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure in making the asset ready for its intended use.

Capital work-in-progress are items of property, plant and equipment which are not yet ready for their intended use and are carried at cost, comprising direct cost and related incidental expenses.

(ii) Depreciation:

Depreciation is calculated on a straight-line basis at the rate specified in schedule II of the Companies Act 2013, except in respect of the following category of asset, in which case the life of the asset has been assessed based on technical advice taking into account the nature of the asset, the estimated usage of the asset, the operating condition of the asset, past history of replacement, maintenance support, etc., Freehold land is not depreciated..

Asset	Useful Life (in years)
Building	3-30
Plant & Machinery (including electrical installations and moulds)	1-20
Furniture and fixtures	10
Office equipment	3-8
IT Equipment	1-6
Vehicles	1-4

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate and accounted for on a prospective basis.

Assets individually costing Rs. 5,000 and below are fully depreciated in the year of acquisition.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of asset. Any gain or loss arising on the disposal or retirement 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 recognised in the Statement of Profit and Loss when the asset is de-recognised.

(b) Intangible Assets

Intangible assets that the Company controls and from which it expects future economic benefits are capitalised upon acquisition and measured initially for separately acquired assets, at cost comprising of the purchase price (including import duties and non-refundable taxes) and directly attributable costs to prepare the assets for its intended use. The useful life of an intangible asset is considered finite where there is a likelihood of technical and technological obsolescence.

Intangible assets that have a finite lives are amortised over their estimated useful lives as per the straight line method unless it is practical to reliably determine the pattern of benefits arising from the asset.
The estimated useful life and amortisation method are reviewed at the end of each reporting period, but the effect of any change in estimates being accounted for on a prospective basis.

Intangible assets comprising software & technical know how are amortised over a period of 3-5 years, representing the period over which economic benefits from the use of technical know-how is expected to be utilized.

All intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired. Amortisation expenses, impairment losses and reversal of impairment losses are considered in the Statement of Profit and Loss. Thus, after initial recognition an intangible asset is carried at its costs less accumulated amortization and /or impairment losses.

(c) Impairment of Assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets or cash generating units exceed their recoverable amount.

Recoverable amount is higher of an asset's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset or cash generating unit and from its disposal at the end of its useful life.

Impairment loss recognised in prior years are reversed when there is an indication that the impairment losses recognised no longer exist or have decreased. Such reversals are recognised as an increase in carrying amounts of assets to the extent that it does not exceed the carrying amounts that would have been determined (net of amortization or depreciation) had no impairment loss been recognised in previous years.

(d) Revenue recognition

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue towards satisfaction of a performance obligation is measured at an amount of transaction price (net of returns and discounts) allocated to that performance obligation. The discount is estimated based on the expected value of outflow.

Sale of goods

Revenue from sale of products is recognised when control of the goods have been transferred to the customer. The performance obligation in case of sale of product is satisfied at a point in time i.e. when the material is shipped to the customer or on delivery to the customer, as may be specified in the contract. Revenue from the sale of goods is measured at the transaction price which is the consideration received or receivable, net of returns, taxes and applicable trade discounts and allowances.

Sales related warranties associated with battery chargers, IPS & EV Chargers cannot be purchased separately and they serve as an assurance that the products sold comply with agreed upon specifications. Accordingly, the Company accounts for warranties in accordance with Ind AS 37 Provisions, Contingent Liabilities and Contingent Assets.

Sale of services

Revenue from sale of service is recognised as the performance obligations are satisfied in accordance with the agreement/agreements with the customer.

(e) Provisions, Contingent liabilities and Contingent asset

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle such obligation and a reliable estimate can be made of the amount of such obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (where the effect of the time value of money is material).

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be recovered and the amount of the receivable can be measured reliably.

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources embodying economic benefits or the amount of such obligation cannot be measured reliably. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources embodying economic benefits is remote, no provision or disclosure is made.

(f) Financial instruments, Financial assets and Financial liabilities

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. Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the relevant instrument and are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities measured at fair value through profit or loss) are added to or deducted from the fair value on initial recognition of financial assets or financial liabilities. Transaction costs directly attributable to the acquisition of financial asset or financial liabilities at fair value through profit or loss are recognized immediately in the Statement of Profit and Loss.

Purchase or sale of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on the trade date i.e. the date when the Company commits to purchase or sell the asset.

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AMARA RAJA POWER SYSTEMS LTD

The classification of financial instruments depends on the objective of the Company's business model for which it is held and on the substance of the contractual terms / arrangements. Management determines the classification of its financial instruments at initial recognition.

(i) Financial Assets

Recognition: Financial assets include Investments, Trade receivables, Security deposits, Cash and cash equivalents. Such assets are initially recognised at transaction price when the Company becomes party to contractual obligations. The transaction price includes transaction costs unless the asset is being fair valued through the Statement of Profit and Loss.

Classification: Financial assets are classified as those measured at:

a) amortised cost, where the financial assets are held within a business model solely for collection of cash flows arising from payments of principal and/ or interest as per contractual terms. Such assets are subsequently measured at amortised cost using the effective interest method, less any impairment loss.

b) fair value through other comprehensive income (FVTOCI), where the financial assets are held not only for collection of cash flows arising from payments of principal and interest but also from the sale of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in other comprehensive income.

c) fair value through profit or loss (FVTPL), where the assets are managed in accordance with an approved investment strategy that triggers purchase and sale decisions based on the fair value of such assets. Such assets are subsequently measured at fair value, with unrealised gains and losses arising from changes in the fair value being recognised in the Statement of Profit and Loss in the period in which they arise.

FVTPL is a residual category for financial assets. Any financial asset which does not meet the criteria for categorization as at amortised cost or as FVTOCI, is classified as FVTPL

Trade receivables, Security Deposits, Cash and cash equivalents etc. are classified for measurement at amortised cost while investments may fall under any of the aforesaid classes. However, in respect of particular investments in equity instruments that would otherwise be measured at fair value through profit or loss, an irrevocable election on an instrument by instrument basis at initial recognition may be made to present subsequent changes in fair value through other comprehensive income. This election is not permitted if the equity instrument is held for trading.

Other income:
Interest income is recognised using effective interest method. Dividend income is accounted for in the year when the right to receive such dividend is established and the amount of dividend can be measured reliably.

Impairment: The Company assesses at each reporting date whether a financial asset (or a group of financial assets) such as investments, trade receivables, and security deposits held at amortised cost and financial assets that are measured at fair value through other comprehensive income are tested for impairment based on evidence or information that is available without undue cost or effort. Expected credit losses are assessed and loss allowances recognised if the credit quality of the financial asset has deteriorated significantly since initial recognition.

As a practical expedient, the Company uses a provision matrix to determine impairment loss on portfolio of its trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivables and is adjusted for forward looking estimates. At every reporting date, the historically observed default rates are updated and changes in forward-looking estimates are analysed.

Reclassification: When and only when the business model is changed, the Company shall reclassify all affected financial assets prospectively from the reclassification date as subsequently measured at amortised cost, fair value through other comprehensive income, fair value through profit or loss without restating the previously recognised gains, losses or interest and in terms of the reclassification principles laid down in the Ind AS relating to Financial Instruments.

De-recognition: Financial assets are derecognised when the right to receive cash flows from the assets has expired, or has been transferred, and the Company has transferred substantially all of the risks and rewards of ownership. Concomitantly, if the asset is one that is measured at:
(a) amortised cost, the gain or loss is recognised in the Statement of Profit and Loss;
(b) fair value through other comprehensive income, the cumulative fair value adjustments previously taken to reserves are reclassified to the Statement of Profit and Loss unless the asset represents an equity investment in which case the cumulative fair value adjustments previously recognized in other comprehensive income and accumulated in the equity instruments through other comprehensive income will not be reclassified to profit or loss on disposal of the investments.

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(ii) Financial Liabilities

Borrowings, trade payables and other financial liabilities are initially recognised at the value of the respective contractual obligations. They are subsequently measured at amortised cost using the effective interest method.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial liabilities are derecognised when the liability is extinguished, that is, when the contractual obligation is discharged, cancelled and on expiry. The difference between the carrying amount of the financial liabilities de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

Offsetting Financial Instruments: Financial assets and liabilities are offset and the net amount is included in the Balance Sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.4 Other accounting policies:

(a) Inventories

Inventories are stated at the lower of cost and the net realisable value after providing for obsolescence and other losses, where considered necessary. Net realisable value represents the estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale. Scrap is carried at net realisable value. The method of determination of cost of various categories of inventories is as follows:

Raw materials, stores and spares and loose tools: Weighted average cost. Cost includes purchase cost and other attributable expenses.

Finished goods and work in progress: Weighted average cost of production which comprises direct material cost, direct wages and appropriate overheads based on normal level of activity.

Stock-in-trade: Weighted average cost.

(b) Foreign currency transactions and translations

In preparing the financial statements of the Company, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rate of exchange prevailing at the dates of the transactions. The date of transaction for the purpose of determining the exchange rate on initial recognition of the related asset, expense or income (part of it) is the date on which the entity initially recognises the non-monetary asset or non-monetary liability arising from payment or receipt of advance consideration. Monetary assets and liabilities relating to foreign currency transactions remaining unsettled at the end of each reporting period are translated at the exchange rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured at historical cost in a foreign currency, are translated using the exchange rate at the date of the transaction.

(c) Employee Benefits

(i) Defined Contribution Plans

The Company's contributions to Provident Fund (Government administered), Employees' State Insurance Scheme and Superannuation Fund (under a scheme of Life Insurance Corporation of India), considered as defined contribution plans are charged as an expense in the Statement of Profit and Loss when the employees have rendered services entitling them to the contributions.

(ii) Defined Benefit Plans

For defined benefit plans in the form of gratuity fund, administered under a scheme of the Life Insurance Corporation of India, the cost of providing benefits is determined using the projected unit credit method, with actuarial valuations being carried out at the end of each reporting period. The defined benefit obligations recognized in the Balance Sheet represents the present value of the defined obligations as reduced by the fair value of plan assets, if applicable. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in other comprehensive income in the period in which they occur and are not re-classified to the Statement of Profit and Loss in the subsequent periods. Past service cost is recognised in profit or loss in the period of a plan amendment. Net interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset.

All expenses represented by current service cost, past service cost, if any, and net interest on the defined benefit liability (asset) are recognized in the Statement of Profit and Loss.

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(iii) Short term and other long term employee benefits

The employees of the Company are entitled to compensated absences. The employees can carry forward a portion of the unutilised accumulating compensated absences and utilise it in future periods or receive cash at retirement or termination of employment. The Company records an obligation for compensated absences in the period in which the employee renders the services that increases this entitlement. The Company measures the expected cost of compensated absences as the additional amount that the Company expects to pay as a result of the unused entitlement that has accumulated at the end of the reporting period. The Company recognises accumulated compensated absences based on actuarial valuation. Non-accumulating compensated absences are recognised in the period in which the absences occur. The Company recognises actuarial gains and losses immediately in the Statement of Profit and Loss.

(d) Leases

The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether, (i) the contract involves the use of an identified asset (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and (iii) the Company has the right to direct the use of the asset.

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

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

The right-of-use 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. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(e) Income Taxes

Income tax expense represents the sum of the tax currently payable and deferred tax. Current and deferred tax are recognised in the Statement of Profit and Loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

(i) Current Tax

Current tax is measured at the amount expected to be paid to or recovered from the taxation authorities based on the taxable profit for the year. Taxable profit differs from Profit before tax as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible under the Income Tax Act, 1961. The tax rates and tax laws used to compute the current tax amount are those that are enacted by the reporting date and applicable for the period. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis or to realize the asset and liability simultaneously.

(ii) Deferred Tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

The assessment of recoverability of deferred tax assets involves significant management judgement regarding future taxable profits and business performance. The management has considered future business projections, expected operational improvements and available tax planning strategies while evaluating recognition of deferred tax assets. The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of such deferred tax assets to be utilised.

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 end of the reporting date. Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset the corresponding current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority.

(f) Research and development expenses

Revenue expenditure pertaining to research is charged to the Statement of Profit and Loss. Development costs of products are also charged to the Statement of Profit and Loss unless a product's technical feasibility has been established, in which case such expenditure is capitalised. The amount capitalised comprises expenditure that can be directly attributed or allocated on a reasonable and consistent basis to creating, producing and making the asset ready for its intended use. Property, plant and equipment utilised for research and development are capitalised and depreciated in accordance with the policies stated for property, plant and equipment.

(g) Earnings per share

Basic earnings per share is computed by dividing profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.
Diluted earnings per share is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

(h) Cash and cash equivalents

Cash and cash equivalents for purposes of cash flow statement include cash on hand, in banks and demand deposits with banks, net of outstanding bank overdrafts that are repayable on demand, book overdraft and are considered part of the Company's cash management system.

(i) Exceptional items

An ordinary item of income or expense which by its size, nature, occurrence or incidence requires a disclosure in order to improve understanding of the performance of the Company is treated as an exceptional item in the Statement of Profit and Loss account

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Note 3.1: Property, plant and equipment and Capital work-in-progress

	As at March 31, 2026	As at March 31, 2025
Carrying amount of:		
Freehold land	1.28	1.28
Leasehold improvements	57.74	-
Buildings	1,421.72	1,466.93
Plant and equipment (including electrical installations)	4,639.59	898.83
Furniture and fixtures	20.89	0.74
Vehicles	60.54	63.16
Office equipment	23.70	5.82
Computers	60.46	22.01
	6,285.92	2,458.77
Capital work-in-progress [Refer Note (iv) below]	179.56	3.50
	179.56	3.50

	Freehold land	Leasehold improvements	Buildings	Plant and equipment (including electrical installations)	Furniture and fixtures	Vehicles	Office equipment	Computers	Total
(A) Cost or deemed cost									
Balance as at March 31, 2024	1.28	-	1,851.90	405.93	-	102.78	12.64	103.60	2,478.13
Additions during the year	-	-	-	779.10	0.79	9.38	1.28	7.93	798.48
Disposals	-	-	-	(5.41)	-	-	(0.29)	(0.51)	(6.21)
Balance as at March 31, 2025	1.28	-	1,851.90	1,179.62	0.79	112.16	13.63	111.02	3,270.40
Additions during the year	-	57.75	24.31	3,908.80	20.97	36.55	22.27	52.07	4,122.72
Disposals	-	-	-	(40.19)	-	(27.56)	(3.18)	(22.41)	(93.34)
Balance as at March 31, 2026	1.28	57.75	1,876.21	5,048.23	21.76	121.15	32.72	140.68	7,299.78
(B) Accumulated depreciation									
Balance as at March 31, 2024	-	-	316.95	189.80	-	20.22	4.93	81.70	613.60
Depreciation expense	-	-	68.02	94.55	0.05	28.78	3.16	7.79	202.35
Disposals	-	-	-	(3.56)	-	-	(0.28)	(0.48)	(4.32)
Balance as at March 31, 2025	-	-	384.97	280.79	0.05	49.00	7.81	89.01	811.63
Depreciation expense	-	0.01	69.52	147.65	0.82	30.94	4.24	12.49	265.67
Disposals	-	-	-	(19.80)	-	(19.33)	(3.03)	(21.28)	(63.44)
Balance as at March 31, 2026	-	0.01	454.49	408.64	0.87	60.61	9.02	80.22	1,013.86
(C) Carrying amount									
Balance as at March 31, 2026	1.28	57.74	1,421.72	4,639.59	20.89	60.54	23.70	60.46	6,285.92
Balance as at March 31, 2025	1.28	-	1,466.93	898.83	0.74	63.16	5.82	22.01	2,458.77

(i) The title deeds of immovable properties are held in the name of the Company.
(ii) Refer Note 13 for details of Property, plant and equipment that are subject to charge in respect of secured borrowings.
(iii) Refer Note 29(ii) for disclosure of contractual commitments for the acquisition of property, plant and equipment.

(All amounts are in ₹ in lakhs, except share data and where otherwise stated)

Note 3.1: Property, plant and equipment and capital work-in-progress (contd.)

(iv) Capital work-in-progress (CWIP)

Ageing schedule as at March 31, 2026

Particulars	Amount in capital work-in-progress for a period of				As at March 31, 2026
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	179.56	-	-	-	179.56
Total	**179.56**	-	-	-	**179.56**

Ageing schedule as at March 31, 2025

Particulars	Amount in capital work-in-progress for a period of				As at March 31, 2025
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in progress	3.50	-	-	-	3.50
Total	**3.50**	-	-	-	**3.50**

There are no projects in progress where completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2026. Project execution plans are calibrated annually on the basis of Management's judgement and estimates with respect to future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan. The Comapany does not have temporarily suspended projects as at March 31, 2026 and previous year ended March 31, 2025.

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Note 3.2 : Right-of-use assets

	As at March 31, 2026	As at March 31, 2025
Carrying amounts of:		
Buildings	2.99	4.79
Total	**2.99**	**4.79**

	Buildings
(A) Cost or deemed cost	
Balance at March 31, 2024	-
Additions during the year	5.39
Disposals	-
Balance at March 31, 2025	**5.39**
Additions during the year	-
Disposals	-
Balance at March 31, 2026	**5.39**
(B) Accumulated amortisation	
Balance at March 31, 2024	-
Depreciation expense	0.60
Eliminated on disposal	-
Balance at March 31, 2025	**0.60**
Depreciation expense	1.80
Eliminated on disposal	-
Balance at March 31, 2026	**2.40**
(C) Carrying amount	
Balance as at March 31, 2025	**4.79**
Balance as at March 31, 2026	**2.99**

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Note 4: Other intangible assets

	As at March 31, 2026	As at March 31, 2025
Carrying amounts of:		
Technical know-how	1,098.95	1,345.28
Software	119.59	19.72
Total	**1,218.54**	**1,365.00**
Intangible assets under development [Refer note (i) below]	5.00	56.30
Total	**5.00**	**56.30**

	Technical Know-How	Software	Total
(A) Cost or deemed cost			
Balance as at March 31, 2024	**749.08**	**348.27**	**1,097.35**
Additions during the year	1,514.83	-	1,514.83
Disposals	-	-	-
Balance as at March 31, 2025	**2,263.91**	**348.27**	**2,612.18**
Additions during the year	71.00	115.53	186.53
Disposals	-	-	-
Balance as at March 31, 2026	**2,334.91**	**463.80**	**2,798.71**
(B) Accumulated amortisation			
Balance as at March 31, 2024	**595.28**	**262.39**	**857.67**
Amortisation expense	323.35	66.16	389.51
Eliminated on disposal	-	-	-
Balance as at March 31, 2025	**918.63**	**328.55**	**1,247.18**
Amortisation expense	317.33	15.66	332.99
Eliminated on disposal	-	-	-
Balance as at March 31, 2026	**1,235.96**	**344.21**	**1,580.17**
(C) Carrying amount			
Balance as at March 31, 2025	**1,345.28**	**19.72**	**1,365.00**
Balance as at March 31, 2026	**1,098.95**	**119.59**	**1,218.54**

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4 Other intangible assets (Contd.)

Note:
(i) Intangible assets under development
a) Ageing schedule

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2026
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	5.00	-	-	-	5.00
	5.00	**-**	**-**	**-**	**5.00**

Particulars	Amount in intangible assets under development for a period of				As at March 31, 2025
	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	
Projects in Progress	22.00	34.30	-	-	56.30
	22.00	**34.30**	**-**	**-**	**56.30**

b) There are no intangible assets under development whose completion is overdue against original planned timelines or where estimated cost exceeded its original planned cost as on March 31, 2026 and March 31, 2025. Project execution plans are calibrated annually on the basis of Management's judgement and estimates with respect to future business, technology developments / economy / industry / regulatory environment and all the projects are assessed as per rolling annual plan.

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	As at March 31, 2026	As at March 31, 2025
Note 5: Investments		
Non-Current		
Investments in equity instruments		
Quoted investments (fully paid) [at FVTPL]		
(i) Union Bank of India Nil (March 31, 2025: 14,820) equity shares of Rs. 10 each	-	18.67
Total investments in equity instruments	**-**	**18.67**
Total Non-Current investments	**-**	**18.67**
Aggregate book value of quoted investments - at Cost	-	4.56
Aggregate market value of quoted investments	-	18.67
Current		
Investments mandatorily measured at fair value through profit or loss (FVTPL)		
Quoted investments in mutual funds		
SBI Overnight Fund - Direct Plan - Growth Nil units (March 31, 2025: 2,464.867 units of ₹ 4,153.3005)	-	102.37
Total Quoted investments measured at FVTPL	**-**	**102.37**
Total Current investments	**-**	**102.37**
Aggregate book value of quoted investments - at cost	-	102.12
Aggregate market value of quoted investments	-	102.37
Note 6: Other financial assets		
Non Current		
(a) Security deposits	90.82	101.35
(b) Balances held as margin money against guarantees given	51.92	41.37
Total	**142.74**	**142.72**
Current		
(a) Receivables from related parties (Refer Note 33):		
(i) Reimbursable expenses	3.67	8.79
(b) Security deposits	384.69	397.54
(c) Interest accruals:		
(i) Interest accrued on deposits	2.02	1.41
(ii) Interest accrued on overdue trade receivables	0.12	-
(d) Other receivables (Dividend receivable)	-	0.48
Total	**390.50**	**408.22**
Note 7: Inventories		
(At lower of cost and Net realisable value)		
(a) Raw materials	4,945.09	815.52
(b) Work-in-progress	191.43	232.93
(c) Finished goods	698.67	707.34
(d) Stock-in-trade (goods purchased for resale)	113.63	82.59
(e) Stores and spares (including secondary packing material)	23.58	0.27
(f) Loose tools	8.11	0.04
Total	**5,980.51**	**1,838.69**
Raw material includes material in transit	91.42	5.90

Notes:

i) The cost of inventories recongnised as an expense during the year has been disclosed on the face of Statement of Profit or loss, Notes 23 & 27
ii) There are no inventories expected to be liquidated after more than 12 months.
iii) The mode of valuation of inventories has been stated in Note No: 2.4 (a) of other accounting policies.
iv) Inventory, receivables and all chargeable current assets of company are hypothecated to State Bank of India.

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Note 8: Trade Receivables

	As at March 31, 2026	As at March 31, 2025
(a) Trade Receivables considered good – Unsecured	4,815.68	6,793.51
(b) Trade receivables which have significant increase in credit risk	-	-
(c) Trade receivables – credit impaired	-	-
	4,815.68	**6,793.51**
Less: Allowance for expected credit loss	(420.00)	(412.37)
	4,395.68	**6,381.14**

Trade Receivables ageing schedule

	Outsanding for following periods from due date						
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	As at March 31, 2026
Undisputed trade receivables- Unsecured							
(i) considered good	3,127.62	813.28	250.02	168.59	173.45	282.72	4,815.68
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- Unsecured							
(i) considered good	-	-	-	-	-	-	-
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
Less: Expected credit loss allowance for trade receivables	(14.93)	(18.76)	(2.76)	(33.79)	(67.05)	(282.72)	(420.00)
Expected loss rate	0.48%	2.31%	1.10%	20.04%	38.66%	100.00%	
Total	**3,112.69**	**794.52**	**247.26**	**134.80**	**106.40**	**-**	**4,395.68**

	Outsanding for following periods from due date						
	Not due	Less than 6 months	6 months to 1 year	1 to 2 years	2 to 3 years	More than 3 years	As at March 31, 2025
Undisputed trade receivables- Unsecured							
(i) considered good	3,507.54	1,374.54	938.91	393.19	285.12	294.21	6,793.51
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
Disputed trade receivables- Unsecured							
(i) considered good	-	-	-	-	-	-	-
(ii) which have significant increase in credit risk	-	-	-	-	-	-	-
(iii) credit impaired	-	-	-	-	-	-	-
Less: Expected credit loss allowance for trade receivables	-	-	(7.32)	(83.84)	(31.34)	(289.87)	(412.37)
Expected loss rate	0%*	0%*	0.78%	21.32%	10.99%	98.52%	
Total	**3,507.54**	**1,374.54**	**931.59**	**309.35**	**253.78**	**4.34**	**6,381.14**

*Amounts below the rounding off norms adopted by the Company.

Notes:

i) Trade receivables are generally having a credit period of 0-180 days as per agreed pay terms. No interest is charged on overdue receivables, except for overdue balances of related parties.

ii) The company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix. The provision matrix takes into account historical credit loss experience for forward-looking estimates. The expected loss allowance is based on the ageing of the receivables which are due and the rates used in the provision matrix.

iii) Movement in expected credit loss allowance for trade receivables

	For the year ended March 31, 2026	For the year ended March 31, 2025
Balances at the beginning of the year	412.37	377.21
Add: Provision created during the year	84.67	35.16
Less: Provision reversed / released during the year	(77.04)	-
Balances at the end of the year	**420.00**	**412.37**

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Note 9(a): Cash and Cash equivalents

	As at March 31, 2026	As at March 31, 2025
(a) Balance with bank		
(i) In overdraft/cash credit account	597.99	-
(ii) Balances in deposit accounts with original maturity of lessthan 3 months	2,000.00	-
Total	**2,597.99**	**-**

Note: There are no repatriation restrictions with regards to cash and cash equivalents as at March 31, 2026 & March 31, 2025.

Note 9(b): Other bank balance

	As at March 31, 2026	As at March 31, 2025
(a) In Earmarked accounts		
(i) Dividend accounts	0.33	0.35
(ii) Balances held as margin money against guarantees given	77.88	80.94
Total	**78.21**	**81.29**

Note 10: Other assets

Non Current

	As at March 31, 2026	As at March 31, 2025
(a) Capital advances	61.38	9.68
(b) Capital advances to related parties	13.73	-
(c) Prepaid expenses	3.55	1.05
(d) Balances with government authorities (Paid under protest)	58.23	58.23
(e) Advance to employees	3.15	8.94
(f) Other deposits (Telephone deposits etc)	-	0.15
Total	**140.04**	**78.05**

Current

	As at March 31, 2026	As at March 31, 2025
(a) Commercial advances	242.49	155.78
(b) Advances to employees	19.86	16.04
(c) Balances with government authorities	1,373.58	107.57
(d) Prepaid expenses	37.99	52.86
(e) Other receivables (export incentives, etc.)	0.07	0.12
Total	**1,673.99**	**332.37**

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Note 11: Equity share capital

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	Amount	Number of shares	Amount
(a) Authorised				
Equity shares of ₹ 10/- each	10,000,000	1,000.00	10,000,000	1,000.00
(b) Issued				
Equity shares of ₹ 10/- each	9,398,015	939.80	9,398,015	939.80
(c) Subscribed and fully paid-up				
Equity shares of ₹ 10/- each	9,398,015	939.80	9,398,015	939.80
	9,398,015	**939.80**	**9,398,015**	**939.80**

Notes:

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Equity shares	Number of shares	Share capital (Amount)
Balance as at March 31, 2024	9,398,015	939.80
Changes during year	-	-
Balance as at March 31, 2025	9,398,015	939.80
Changes during year	-	-
Balance as at March 31, 2026	9,398,015	939.80

(ii) Rights, preferences and restrictions attached to the equity shares:

The Company has only one class of shares referred to as equity shares having a face value of ₹ 10 each. Each holder of equity share is eligible for one vote per share held. The Company declares and pays dividends in Indian rupees and foreign currency. The dividend proposed by the Board of Directors is subject to the approval of the Shareholders in the ensuing Annual General Meeting, except in the case of interim dividend. In the event of liquidation, the holders of equity shares will be entitled to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to the number of equity shares held by the shareholders.

(iii) Details of equity shares held by each shareholder holding more than 5% of the equity shares:

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	%	Number of shares	%
Amara Raja Energy & Mobility Limited (Formerly known as Amara Raja Batteries Limited)	9,398,015	100.00	9,398,015	100.00

* includes shares held by Nominee Shareholders

(All amounts are in ₹ Lakhs)

(iv) Details of equity shares held by promoters at the end of the year

	As at March 31, 2026		As at March 31, 2025		% change during the year
Promoter Name	**Number of shares**	**%**	**Number of shares**	**%**	
Amara Raja Energy & Mobility Limited (Formerly known as Amara Raja Batteries Limited)	9,398,015	100.00	9,398,015	100.00	0.00%

* includes shares held by Nominee Shareholders

(v) Details of equity shares held by Holding Company

	As at March 31, 2026		As at March 31, 2025	
	Number of shares	**%**	**Number of shares**	**%**
Amara Raja Energy & Mobility Limited (Formerly known as Amara Raja Batteries Limited)	9,398,015	100.00	9,398,015	100.00

(vi) There are no instances as listed below, during the period of five year immediately preceding the year end.
a) shares allotted as fully paid up by way of bonus shares
b) shares bought back
c) shares issued for consideration other than cash
d) shared reserved for issuance under options and securities issued / outstanding which are convertible into equity shares

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Note 12: Other equity	As at March 31, 2026	As at March 31, 2025
Reserves and surplus		
General reserve	93.41	93.41
Capital reserve	81.61	81.61
Securities premium	1,151.70	1,151.70
Retained earnings	4,877.27	6,834.33
Total	**6,203.99**	**8,161.05**
(a) General reserve	93.41	93.41
This reserve is created by an appropriation from one component of equity (generally retained earnings) to another, not being an item of Other Comprehensive Income. The same can be utilised by the Company in accordance with the provisions of the Companies Act, 2013.		
(b) Capital reserve	81.61	81.61
Any profit or loss on purchase, sale, issue or cancellation of the company's own equity instruments is transferred to capital reserve.		
(c) Securities premium	1,151.70	1,151.70
This reserve represents the premium on issue of shares and can be utilised in accordance with the provisions of the Companies Act, 2013.		
(d) Retained earnings	4,877.27	6,834.33
Retained earnings represents the cumulative undistributed profits of the Company and can be utilised in accordance with the provisions of the Companies Act, 2013.		
Total	**6,203.99**	**8,161.05**

Note 13: Borrowings

Non-Current borrowings		
Unsecured - at amortised cost		
Loan from Holding company - Refer Note ii(a) below	5,000.00	
Total Non-current borrowings	**5,000.00**	**-**
Current borrowings		
Secured - at amortised cost		
- Cash credits from bank (Refer Note (i) below)	-	5.33
Unsecured - at amortised cost		
- Working capital demand loan - Refer Note ii(b) below	500.00	-
- Loan from Holding company - Refer Note ii(c) below	7,000.00	-
Total current borrowings	**7,500.00**	**5.33**

(i) **Security Details**
Primary security : All fund & non fund based facilities are secured by hypothecation of stocks and receivables and all chargeable current assets of company.
Collateral Security : Entire property, palnt and equipement of the company (Land & Building, Plant & machinery)

(ii) **Loan tenor & Interest details**
a) Long term loan from holding company is taken for 2 years tenor with an interest rate of 7.25% p.a. The term loans have been applied for the purpose for which it obtained.
b) Working capital demand loan taken from banks for 150 days tenor with an interest rate of 7.25% p.a.
c) Short term loan from holding company is repayable on demand with an interest rate of 7.25% p.a.

Note 14: Lease Liability^

Non-current		
-Lease liabilities	1.36	3.19
Total	**1.36**	**3.19**
Current		
-Lease Liabilities	1.83	1.58
Total	**1.83**	**1.58**

^ Also refer Note 35

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Note 15: Provisions

	As at March 31, 2026	As at March 31, 2025
Non current		
Employee benefits		
- Compensated absences	233.48	205.83
- Gratuity (Refer Note: 31)	96.80	
Other Provisions		
- Product warranty	216.54	136.71
Total	**546.82**	**342.54**
Current		
Employee benefits		
- Compensated absences	59.78	21.58
- Gratuity (Refer Note: 31)	102.36	15.94
Others		
- Product warranty	128.95	96.89
Total	**291.09**	**134.41**

a) Provision for warranty is made for estimated warranty claims in respect of sale of Battery chargers, Integrated power supply systems & EV Chargers which are still under warranty at the end of the reporting period, the estimated cost of which is accrued at the time of sale. These claims are expected to be settled as and when warranty claims arise. The provision for warranty claims represents the present value of the Management's best estimate of the future outflow of economic benefits that will be required under the Company's obligation for warranties. Management estimates the provision based on historical warranty claim information and may vary as a result of new materials, altered manufacturing processes or other events affecting product quality. The products are generally covered under a free warranty period ranging from 24 months to 36 months.

b) **Movement of provision for product warranty**

	As at March 31, 2026	As at March 31, 2025
Provision at the beginning of the year	233.60	127.20
Provision created during the year	168.93	133.08
Less: Provision utilized/reversed during the year	(57.04)	(26.68)
Provision for warranty at the end of the year	**345.49**	**233.60**

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	As at March 31, 2026	As at March 31, 2025
Note 16: Deferred tax assets (Net)		
The following is the analysis of deferred tax assets/(liabilities) presented in the Balance Sheet :		
(a) Deferred tax assets	980.25	274.65
(b) Deferred tax liabilities	(181.31)	(162.19)
Total	**798.94**	**112.46**

2025-26 **Deferred tax (liabilities) /assets in relation to:**	**Opening balance**	**Recognised in Statement of profit and loss**	**Recognised in other comprehensive income**	**Closing balance**
Property, plant and equipment	(158.58)	(22.73)	-	(181.31)
Financial assets measured at fair value	(3.61)	3.61	-	-
Provision for doubtful receivables	120.61	21.69	-	142.30
Provision for employee benefits	61.24	37.46	-	98.70
Carry forward business losses	-	666.20	-	666.20
Others	92.80	(19.75)	-	73.05
Total	**112.46**	**686.48**	**-**	**798.94**

2024-25 **Deferred tax (liabilities) /assets in relation to:**	**Opening balance**	**Recognised in Statement of profit and loss**	**Recognised in other comprehensive income**	**Closing balance**
Property, plant and equipment	(119.57)	(39.01)	-	(158.58)
Financial assets measured at fair value	(6.86)	3.25	-	(3.61)
Provision for doubtful receivables	110.50	10.11	-	120.61
Provision for employee benefits	49.97	11.27	-	61.24
Others	106.16	(13.36)	-	92.80
Total	**140.20**	**(27.74)**	**-**	**112.46**

The Company has recognised deferred tax assets on business losses including unabsorbed depreciation.The Company has concluded that the deferred tax assets will be recoverable using the estimated future taxable income based on the approved business plans and budgets.

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	As at March 31, 2026	As at March 31, 2025
Note 17: Trade Payable		
(a) Total outstanding dues of Micro enterprises and small enterprises (Refer Note: 30)	1,059.07	721.83
(b) Total outstanding dues of creditors other than Micro enterprises and small enterprises	1,921.20	2,661.71
Total	**2,980.27**	**3,383.54**

Trade Payables ageing schedule

	Outstanding for following periods from due date of payment					
	Not due	**Less than 1 Year**	**1 to 2 Years**	**2 to 3 Years**	**More than 3 Years**	**As at March 31, 2026**
Undisputed trade payables						
(i) Micro enterprises and small enterprises	1,059.07	-	-	-	-	1,059.07
(ii) Other than Micro enterprises and small enterprises	1,655.86	261.62	-	3.72	-	1,921.20
Disputed dues						
(iii) Micro enterprises and small enterprises	-	-	-	-	-	-
(iv) Other than Micro enterprises and small enterprises	-	-	-	-	-	-
Total	**2,714.93**	**261.62**	**-**	**3.72**	**-**	**2,980.27**

	Outstanding for following periods from due date of payment					
	Not due	**Less than 1 Year**	**1 to 2 Years**	**2 to 3 Years**	**More than 3 Years**	**As at March 31, 2025**
Undisputed trade payables						
(i) Micro & small enterprises	721.83	-	-	-	-	721.83
(ii) Others	2,353.32	278.90	29.49	-	-	2,661.71
Disputed dues						
(iii) Disputed dues — Micro & small enterprises	-	-	-	-	-	-
(iv) Disputed dues - Others	-	-	-	-	-	-
Total	**3,075.15**	**278.90**	**29.49**	**-**	**-**	**3,383.54**

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Note 18: Other financial liabilities

	As at March 31, 2026	As at March 31, 2025
Current		
(a) Unpaid dividends	0.33	0.35
(b) Other payables:		
(i) Payables on purchase of property, plant and equipment (Refer note below)	32.01	8.44
(ii) Others (employee related, others)	293.99	166.47
Total	**326.33**	**175.26**

Note: Other payables includes payable to Micro & Small enterprises of ₹ 1.88 lakhs (Refer Note 30).

Note 19: Income tax assets /liabilities (net)

	As at March 31, 2026	As at March 31, 2025
Non- Current Asset		
Advance tax / TDS receivable (net of provisions)	394.04	307.42
Total	**394.04**	**307.42**
Movement:		
Opening	307.42	160.10
TDS receivable/advance tax	77.10	(379.75)
Add/(Less): Provision for tax	9.52	527.07
Closing	**394.04**	**307.42**

Note 20: Other liabilities

	As at March 31, 2026	As at March 31, 2025
Non-Current		
(a) Other Non Current liabilities	12.03	14.39
Total	**12.03**	**14.39**
Current		
(a) Statutory remittances (GST, PF, TDS, etc.)	129.25	371.24
(b) Advances from customers	345.29	159.43
(c) Other current liabilities	6.59	-
Total	**481.13**	**530.67**

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Note 21: Revenue from contract with customers

	For the year ended March 31, 2026	For the year ended March 31, 2025
a. Sale of products (Refer Note (i) below)	12,277.22	12,630.28
b. Sale of services (Refer Note (ii) below)	2,650.51	2,401.67
c. Other operating revenues (Refer Note (iii) below)	4.20	4.79
Total	**14,931.93**	**15,036.74**

Notes:

	For the year ended March 31, 2026	For the year ended March 31, 2025
(i) Sale of products comprises:		
Manufactured goods		
- DCP (Battery & battery charger)	5,514.04	7,057.92
- IPS (Integrated Power Supply System)	3,151.89	2,845.56
- EV (Electric Vehicle) Chargers	420.65	477.77
Sub-total - Sale of manufactured goods	**9,086.58**	**10,381.25**
Traded goods		
- EV (Electric Vehicle) Chargers	3,190.64	2,249.03
Sub-total - Sale of traded goods	**3,190.64**	**2,249.03**
Total - Sale of products	**12,277.22**	**12,630.28**
(ii) Sale of services comprise:		
- Installation and Commissioning	44.17	84.48
- Maintenance Services including annual maintenance	2,358.46	1,967.51
- Others (service charges, rectification calls etc.)	247.88	349.68
Total - Sale of services	**2,650.51**	**2,401.67**
(iii) Other operating revenues comprise:		
- Sale of process scrap	4.12	4.39
- Export benefits (including RoDTEP & Duty Drawback)	0.08	0.40
Total - Other operating revenues	**4.20**	**4.79**

(iv) Geographical information

The Company operates in India and makes certain sales to customers situated outside India. The revenue from external customers by location of customers is detailed below. All the non-current assets of the Company are situated within India.

	For the year ended March 31, 2026	For the year ended March 31, 2025
India	14,714.28	14,767.01
Outside India	217.65	269.73
Total	**14,931.93**	**15,036.74**
(v) Reconciliation of contract price with revenue from contracts with customers:		
Contract price	14,948.47	15,249.95
Less: Incentives and discounts	(16.54)	(213.21)
Revenue recognised from contracts with customers	**14,931.93**	**15,036.74**

Refer to Note 36 on Financial Instruments and related disclosures for information on revenue from major customers.

Note 22: Other Income

	For the year ended March 31, 2026	For the year ended March 31, 2025
a) Interest income		
(i) Interest income earned on financial assets that are not designated as at FVTPL		
- Bank deposits (at amortised cost)	8.80	10.76
- From trade receivables	4.77	3.17
- Unwinding of discounts on rental deposits	0.04	0.01
Total	**13.61**	**13.94**
b) Dividend income		
(i) Dividend from equity investments designated as at FVTPL	0.70	0.53
Total	**0.70**	**0.53**

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	For the year ended March 31, 2026	For the year ended March 31, 2025
c) Other non-operating income		
(i) Sale of non process scrap	0.03	0.02
(ii) Liabilities no longer required written back	37.02	84.03
(iii) Others (Rental income, Insurance claims received etc)	27.26	28.53
Total	**64.31**	**112.58**
d) Other gains and losses		
(i) Gain on disposal of Investments	31.85	35.56
(ii) Net foreign exchange gains	1.15	-
(iii) Net gain arising on Current financial assets mandatorily measured at FVTPL [Refer Note below]	-	0.25
(iv) Profit on sale of property, plant and equipment (net)	0.66	0.09
	33.66	**35.90**
Total Other Income (a+b+c+d)	**112.28**	**162.95**

Note:
The amount represents the increase in fair value on non-derivative current investments which are measured at fair value. [Refer Note 5]

Note 23: Change in inventories of finished goods, work in progress and stock in trade

Inventories at the beginning of the year		
Work in progress	232.93	98.23
Finished Goods	707.34	350.33
Stock-in-trade		
- EV (Electric Vehicle) Chargers	82.59	-
Total [A]	**1,022.86**	**448.56**
Inventories at the end of the year		
Work in progress	191.43	232.93
Finished Goods	698.67	707.34
Stock-in-trade		
- EV (Electric Vehicle) Chargers	113.63	82.59
Total [B]	**1,003.73**	**1,022.86**
Decrease / (Increase) in finished goods, work-in-progress & Stock-in-trade [A-B]	**19.13**	**(574.30)**

Note 24: Employee benefits expense

(a) Salaries and wages [Refer Note Below]	2,600.52	2,015.57
(b) Contribution to provident and other funds [Refer Note 31]	214.46	191.21
(c) Staff welfare expenses	171.27	187.66
Total	**2,986.25**	**2,394.44**

Note: The Company has recognised an amount of Rs 22.37 lakhs as remuneration to key managerial personnel. Key managerial personnel includes a Whole time Director & Company Secretary.

Note 25: Finance costs

(a) Interest costs:		
(i) Interest on borrowings	27.40	8.38
(ii) Others	1.25	3.03
(b) Other borrowing costs		
(i) Interest on Lease Liabilities (Refer Note: 35)	0.37	0.15
(ii) Others	45.99	9.56
	75.01	**21.12**

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		For the year ended March 31, 2026		For the year ended March 31, 2025
Note 26: Depreciation and amortization expense				
Depreciation of property, plant and equipment and right-of-use assets (Refer Note: 3.1 & 3.2)		267.46		202.95
Amortization of intangible asset (Refer Note: 4)		332.99		389.51
		600.45		**592.46**

Note 27: Other expenses

		For the year ended March 31, 2026		For the year ended March 31, 2025
Consumption of stores and spares (including packing material)		1.48		2.33
Tools consumed		2.64		7.30
Power and fuel		58.15		65.98
Rent		64.82		54.82
Repairs and maintenance				
- Plant and machinery		8.90		2.51
- Buildings		22.16		4.49
- Others		0.14		2.03
Insurance		29.57		24.68
Rates and taxes		78.82		25.50
Communication		80.19		28.04
Travelling and conveyance		212.81		129.53
Outward freight and handling charges		125.82		157.80
Advertisement and sales promotion		18.51		14.26
Expenditure on Corporate Social Responsibility (Refer Note 39)		-		39.91
Legal and professional		151.45		46.00
Payment to auditors [Refer Note below]		10.20		7.24
Bad trade receivables written off	77.04		-	
Less : Provision released	(77.04)		-	
		-		-
Provision for doubtful trade receivables		84.67		35.16
Security deposits & EMD written off	16.36		-	
Less: Provision released	(16.36)		-	
		-		-
Provision for doubtful Security deposits		99.81		33.03
Net foreign exchange loss		-		1.18
Net loss arising on Non Current financial assets measured at FVTPL		-		4.08
Warranty expenses (net)		1,065.64		270.68
Printing and stationery		7.86		11.57
Business development expenses		82.65		63.23
Office maintenance		118.95		111.80
IT Expenses		78.97		74.22
Miscellaneous expenses		317.90		196.07
		2,722.11		**1,413.44**

Note:

Payment to auditors comprise (net of GST)

	For the year ended March 31, 2026	For the year ended March 31, 2025
To statutory auditors		
- Statutory audit fee	10.00	6.00
- Tax audit fee	-	1.00
- Certification fee	-	0.24
- Reimbursement of expenses	0.20	-
Total	**10.20**	**7.24**

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	For the year ended March 31, 2026	For the year ended March 31, 2025
Note 28: Income tax recognised in profit or loss		
Current Tax		
In respect of the current year	-	9.51
In respect of the prior years	15.30	0.01
Total	**15.30**	**9.52**
Deferred Tax		
In respect of the current year	(686.48)	27.74
Total	**(686.48)**	**27.74**
Total income tax expense recognised	**(671.18)**	**37.26**
The income tax expense for the year can be reconciled to the accounting profit as follows:		
Profit/(Loss) before tax	(2,741.04)	114.40
Income tax expense calculated at 25.168% (2024-25 : 25.168%)	(689.86)	28.79
Tax effects of amounts which are not deductible in determining taxable profit	14.80	10.80
Impact of deferred tax in relation to taxes of earlier years	(11.42)	(2.34)
Effect of taxation of prior year	15.30	0.01
Income tax expense recognised in profit or loss	**(671.18)**	**37.26**

Note:

The tax rate used for the year 2025-2026 and 2024-2025 reconciliations above is the corporate tax rate of 25.168% payable by corporate entities in India on taxable profits under the Indian tax law.

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(All amounts are in ₹ Lakhs)

Note 29: Contingent liabilities and commitments

	As at March 31, 2026	As at March 31, 2025
(i) Contingent Liabilities (to the extent not provided for) :		
Claims against the Company not acknowledged as debt		
Matters under dispute:		
- Sales tax/VAT and GST	1,036.30	1,027.15
- Income tax	509.43	353.80

It is not practicable for the Company to estimate the closure of these issues and the consequential timings of cash flows, if any, in respect of the above.

(ii) Commitments:

(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)	169.19	55.05

Note 30: Based on and to the extent of information available with the Company under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act), the relevant particulars as at reporting date are furnished below:

Particulars	As at March 31, 2026	As at March 31, 2025
(i) Principal amount due to suppliers under MSMED Act, as at the end of the year	1,060.96	721.83
(ii) Interest accrued and due to suppliers under MSMED Act on the above amount as at the end of the year	-	-
(iii) Principal amounts paid to suppliers under MSMED Act (other than interest) beyond the appointed day, during the year	2.17	6.96
(iv) Interest paid to suppliers under MSMED Act (Section 16) beyond the appointed day, during the year	0.01	-
(v) Interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding interest specified under the Micro, Small and Medium Enterprises Act, 2006	-	-
(vi) The amount of interest accrued and remaining unpaid at the end of each accounting year (ii) + (v)	-	0.02
(vii) Interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises	-	0.02

Note: The above disclosure includes amounts relating to capital creditors.

Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the Management.

(All amounts are in ₹ Lakhs)

Note 31: Employee Benefits

a. Defined contribution plans

The Company makes Provident Fund, Superannuation Fund and Employees' State Insurance Scheme contributions which are defined contribution plans, for qualifying employees and recognises such contributions in the Statement of Profit and Loss. Contributions made to the defined contribution plans were:

Particulars	For the year ended Mar 31, 2026	For the year ended March 31, 2025
Provident Fund	69.30	65.55
Superannuation Fund	75.10	87.21
Employees State Insurance Scheme	4.54	3.83

b. Defined benefit plans

The Company provides to the eligible employees defined benefit plans in the form of gratuity. The gratuity plan provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days' salary payable for each completed year of service. Vesting occurs upon completion of five continuous years of service. The measurement date used for determining retirement benefits for gratuity is March 31.

These plans typically expose the Company to actuarial risks such as investment risk, interest rate risk, longevity risk and salary risk.

Risk Management:

Investment risk - The probability or likelihood of occurrence of losses relative to the expected return on any particular investment.

Interest rate risk - The plan exposes the Company to the risk of fall in interest rates. A fall in interest rates will result in an increase in the ultimate cost of providing the above benefit and will thus result in an increase in the value of the liability.

Longevity risk - The present value of defined benefit plan liability is calculated by reference to the best estimate of the mortality of plan participants both during and after employment. An increase in the life expectancy of the plan participants will increase the plan's liability.

Salary risk - The present value of the defined benefit plan is calculated with reference to the future salaries of participants under the plan. Increase in salary due to adverse inflationary pressures might lead to higher liabilities.

(i) Balance Sheet

The assets, liabilities and surplus / (deficit) position of the defined benefit plans at the Balance Sheet date were:

	As at March 31, 2026	As at March 31, 2025
Present value of obligation	806.16	646.70
Fair value of plan assets	(606.99)	(630.76)
Net liability recognized in the Balance Sheet	**199.17**	**15.94**

(ii) Movements in present value of obligation and fair value of plan assets

	Plan assets	Plan obligation	Total
As at March 31, 2024	**602.47**	**597.55**	**(4.92)**
Current service cost	-	30.43	30.43
Past service cost	-	-	-
Interest cost	-	41.36	41.36
Interest income	42.80	-	(42.80)
Actuarial (gain)/loss arising from changes in financial assumptions	-	28.83	28.83
Actuarial (gain)/loss arising due to experience	-	(33.63)	(33.63)
Contributions	-	-	-
Benefit payments	(29.27)	(29.27)	-
Return on plan assets, excluding interest income	3.33	-	(3.33)
Transfer between Group Companies	11.43	11.43	-
As at March 31, 2025	**630.76**	**646.70**	**15.94**

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(All amounts are in ₹ Lakhs)

b. Defined benefit plans (Contd.)

	Plan Assets	Plan Obligation	Total Net
Current service cost	-	50.62	50.62
Past service cost	-	250.41	250.41
Interest cost	-	36.76	36.76
Interest income	41.74	-	(41.74)
Actuarial (gain)/loss arising from changes in financial assumptions	-	(118.91)	(118.91)
Actuarial (gain)/loss arising due to experience	-	9.90	9.90
Contributions	0.02	-	(0.02)
Benefit payments	(65.29)	(65.29)	-
Return on plan assets, excluding interest income	3.79	-	(3.79)
Transfer between Group Companies	(4.03)	(4.03)	-
As at March 31, 2026	**606.99**	**806.16**	**199.17**

(iii) Statement of Profit and Loss

The charge to the Statement of Profit and Loss comprises:

	Year ended March 31, 2026	Year ended March 31, 2025
Employee Benefit Expenses		
Current service cost	50.62	30.43
Interest cost	36.76	41.36
Past service cost (Refer Note 37)	250.41	-
Interest income	(41.74)	(42.80)
Net impact on profit before tax	**296.05**	**28.99**
Remeasurement of the net defined benefit plan		
Actuarial (gain)/loss arising from changes in financial assumptions	(118.91)	28.83
Actuarial (gain)/loss arising due to experience	9.90	(33.63)
Return on plan assets, excluding interest income	(3.79)	(3.33)
Net impact on other comprehensive income before tax	**(112.80)**	**(8.13)**

(iv) Assets

The major categories of plan assets as a % of the total plan assets

	As at March 31, 2026	As at March 31, 2025
Funded with Life Insurance Corporation of India	100%	100%

(v) Assumptions

With the objective of presenting the plan assets and plan obligations of the defined benefits plans at their fair value on the Balance Sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

	As at March 31, 2026	As at March 31, 2025
Discount rate	7.23%	6.71%
Attrition rate	9.00%	8.00%
Salary escalation rate	7.50%	10%

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

Demographic assumptions

Mortality in Service: Indian Assured Lives Mortality 2012-14 (Urban)

(vi) Sensitivity analysis

The sensitivity of the overall plan obligations to changes in the weighted key assumptions are:

	As at March 31, 2026		As at March 31, 2025	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(38.09)	42.25	(36.09)	40.33
Salary escalation rate (1% movement)	33.33	(31.71)	27.57	(26.30)

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b. Defined benefit plans (Contd.)

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the Balance Sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

(vii) Maturity analysis

Maturity profile of defined benefit obligation:

	As at March 31, 2026	As at March 31, 2025
Within 1 year	115.78	55.51
1-2 year	88.38	68.39
2-3 year	104.55	89.31
3-4 year	105.75	87.84
4-5 year	72.98	83.90
5-10 year	375.23	299.72
> 10 year	396.22	-

The Company expects to contribute ₹ 102.36 lakhs to its defined benefit plans during the next fiscal year.

Weighated average duration of the defined benefit obligation as at March 31, 2026 is 6 years.

Note 32: Segment Reporting

The company is involved in the business of manufacturing Power Electronics & EV Chargers which is considered as operating segment of the company. The Chief Operating Decision Maker ("CODM") has been identified as the Business Head of the Company. Based on the internal financial information reviewed by the CODM for the purpose of resource allocation and assessment of performance, the Company operates in a single reportable business segment. Accordingly, no separate segment disclosures are required pursuant to Ind AS 108 – Operating Segments. Refer note 21 for geographical segment wise disclosure.

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Note 33: Related party transactions

(a) Details of related parties

Entity with Control - Holding company

Amara Raja Energy & Mobility Limited (Formerly Known as Amara Raja Batteries Limited)

Entity exercising significant influence

Amara Raja Enterprises Private Limited (Formerly known as RNGalla Family Private Limited)

Key Management Personnel (KMP)

Daiva Prakash G	Whole time director
Ravali Mulagada	Company Secretary

Entities in which KMP / Relatives of KMP exercise significant influence^

Rajanna Foundation
Amara Raja Electronics Limited
Amara Raja Design Alpha Private Limited
G2 Healthcare Private Limited

Subsidiaries of the entity with control^

Amara Raja Advanced Cell Technologies Private Limited
Amara Raja Circular Solutions Private Limited

Subsidiaries of the entity exercising significant influence^

Mangal Industries Limited
Amara Raja Infra Private Limited

^ Related parties are disclosed to the extent of transactions with such related parties.

(b) Transactions with the above related parties during the year

Particulars	For the year ended	
	March 31, 2026*	March 31, 2025*
Sales of goods & services (net of sale returns)		
Amara Raja Energy & Mobility Limited	11.60	28.73
Amara Raja Infra Private Limited	80.32	5.32
Amara Raja Electronics Limited	(0.87)	24.29
Jayadev Galla	-	2.77
Amara Raja Advanced Cell Technologies Private Limited	503.83	418.61
Rental income		
Amara Raja Energy & Mobility Limited	4.19	12.83
Amara Raja Electronics Limited	117.85	118.68
Amara Raja Advanced Cell Technologies Private Limited	0.90	1.01
Sale of capital goods		
Amara Raja Energy & Mobility Limited	19.87	-

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Notes to the financial statements for the year ended March 31, 2026
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Note 33: Related party transactions (Contd.)

Particulars	For the year ended	
	March 31, 2026*	March 31, 2025*
Purchase of goods		
Amara Raja Energy & Mobility Limited	2,622.57	3,833.89
Amara Raja Electronics Limited	9,219.01	3,394.36
Mangal Industries Limited	327.85	436.52
Amara Raja Advanced Cell Technologies Private Limited	7.15	63.23
Availing of services		
Amara Raja Infra Private Limited	215.38	175.89
Amara Raja Design Alpha Private Limited	-	13.49
Amara Raja Advanced Cell Technologies Private Limited	80.75	-
G2 Healthcare Private Limited	2.55	1.19
Rajanna Foundation	1.31	1.31
Purchase of property, plant and equipment (including capital work-in progress)		
Amara Raja Design Alpha Private Limited	19.70	-
Amara Raja Advanced Cell Technologies Private Limited	13.34	-
Amara Raja Electronics Limited	3,997.91	10.06
Amara Raja Infra Private Limited	155.95	8.67
Donation Expense (including CSR expense)		
Rajanna Foundation (Formerly known as Rajanna Trust)	29.84	39.91
Expenses reimbursed to		
Amara Raja Energy & Mobility Limited	344.55	281.35
Amara Raja Infra Private Limited	3.38	-
Amara Raja Advanced Cell Technologies Private Limited	-	4.40
Amara Raja Circular Solutions Private Limited	-	0.43
Rajanna Foundation (Formerly known as Rajanna Trust)	0.27	-
Expenses recovered from		
Amara Raja Energy & Mobility Limited	1.15	-
Amara Raja Electronics Limited	-	14.77
Amara Raja Infra Private Limited	-	5.89
Amara Raja Advanced Cell Technologies Private Limited	8.55	3.63
Amara Raja Circular Solutions Private Limited	3.67	-
Interest Expense		
Amara Raja Energy & Mobility Limited	17.68	-
Interest Income		
Amara Raja Electronics Limited	1.05	0.65
Amara Raja Infra Private Limited	0.76	1.15
Remuneration to Key Managerial personnel	22.37	8.34

* Transactions have been disclosed net of applicable taxes.

(c) Balances receivable from / payable to related parties are as follows:

Particulars	As at March 31, 2026	As at March 31, 2025
Trade Receivables		
Amara Raja Energy & Mobility Limited	-	0.21
Amara Raja Infra Private Limited	38.07	-
Amara Raja Electronics Limited	-	20.12
Amara Raja Advanced Cell Technologies Private Limited	-	7.97
Reimbursable expenses receivable		
Amara Raja Electronics Limited	-	3.06
Amara Raja Advanced Cell Technologies Private Limited	-	3.84
Amara Raja Circular Solutions Private Limited	3.67	-

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Particulars	As at March 31, 2026	As at March 31, 2025
Interest Receivable		
Amara Raja Electronics Limited	0.08	0.01
Amara Raja Infra Private Limited	0.03	-
Rent Receivable		
Amara Raja Energy & Mobility Limited	-	1.71
Amara Raja Advanced Cell Technologies Private Limited	-	0.18
Commercial advances		
Amara Raja Infra Private Limited	3.02	-
Rajanna Foundation	-	0.28
Capital advances		
Amara Raja Infra Private Limited	13.73	-
Trade payables		
Amara Raja Energy & Mobility Limited	990.95	1,779.12
Amara Raja Electronics Limited	155.81	15.33
Mangal Industries Limited	95.94	142.80
Amara Raja Infra Private Limited	23.26	18.42
Amara Raja Advanced Cell Technologies Private Limited	31.89	71.34
Payables on purchase of property, plant and equipment (including capital work-in progress)		
Amara Raja Infra Private Limited	11.86	-
Other payables		
Amara Raja Energy & Mobility Limited	112.31	61.79
Amara Raja Infra Private Limited	-	2.93
Amara Raja Advanced Cell Technologies Private Limited	-	4.70
Amara Raja Circular Solutions Private Limited	-	0.43
Rajanna Foundation (Formerly known as Rajanna Trust)	7.81	-
Advances from customers		
Amara Raja Energy & Mobility Limited	87.32	-
Interest payable		
Amara Raja Energy & Mobility Limited	17.68	-
Loan from Holding company		
Amara Raja Energy & Mobility Limited	12,000.00	-
Capital commitments		
Amara Raja Infra Private Limited	54.92	-
Amara Raja Design Alpha Private Limited	23.60	17.35

Note 34: Earnings per share (EPS)

	March 31, 2026	March 31, 2025
Profit for the year (in ₹ lakhs) [A]	(2,069.86)	77.14
Weighted average number of equity shares outstanding during the year (No's) [B]	9,398,015	9,398,015
Earnings per share (Face Value of ₹ 10 per share)		
Basic and Diluted EPS (in Rs.) [A/B]	**(22.02)**	**0.82**

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Note 35: Leases

	March 31, 2026	March 31, 2025
(i) The following is the breakup of current and non-current lease liabilities		
Current liabilities (Refer note 14)	1.83	1.58
Non-Current liabilities (Refer note 14)	1.36	3.19
(ii) The following is the movement of lease liabilities during the year ended March 31:		
Balance at the beginning	4.77	-
Additions during the year	-	5.26
Deletions during the year	-	-
Finance cost accrued during the year	0.37	0.15
Payment of lease liabilities	(1.95)	(0.64)
Balance at the end	**3.19**	**4.77**
(iii) Contractual maturities of lease liabilities		
Less than one year	2.05	1.95
One to five years	1.41	3.46
More than five years	-	-
Total	**3.46**	**5.41**
(iv) Amounts recognised in the statement of profit and loss		
Depreciation expense of right-of-use assets (Refer note 3.2)	1.80	0.60
Interest expense on lease liabilities (Refer note 25)	0.37	0.15
Rent expenses included in other expenses (Refer note 27)		
Expenses relating to short-term leases	64.82	54.82

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Note 36: Financial instruments and related disclosures

A. Capital Management

The Company's capital management objective is to safeguard its ability to continue as going concern and support its strategic priorities. It aims to provide adequate capital to its businesses for growth and creation of sustainable stakeholder value through an optimum mix of debt and equity within the overall capital structure.

The capital structure of the Company is based on Management's judgment and is determined and managed by the holding company as part of the operations of the company with a focus on gearing ratio. Gearing ratio is net debt divided by total equity. Net debt includes interest bearing loans and borrowings, less cash and bank balances.

The Management and the Board of Directors monitor the return on capital as well as the level of dividends to shareholders. The Company may take appropriate steps in order to maintain, or if necessary, adjust its capital structure. The Company is not subject to any externally imposed capital requirements.

As at March 31, 2025, the Company has cash and bank balances in excess of net debt. Hence, gearing ratio is not applicable.

Particulars	As at March 31, 2026
a. Total equity	**7,143.79**
b. Borrowings	12,500.00
c. Cash and bank balances (refer note 9(a) and 9(b))	2,676.20
d. Net debt (d = b-c)	**9,823.80**
e. Gearing ratio (e = d/a)	**1.38**

The increase in gearing ratio is on account of borrowings from holding company for capex and working capital requirements.

B. Categories of financial instruments

Particulars	Carrying value		Fair value	
	As at March 31, 2026	As at March 31, 2025	As at March 31, 2026	As at March 31, 2025
Financial assets				
Measured at amortised cost				
(i) Cash and cash equivalents	2,597.99	-	2,597.99	-
(ii) Other bank balances	78.21	81.29	78.21	81.29
(iii) Trade receivables	4,395.68	6,381.14	4,395.68	6,381.14
(iv) Other financial assets	533.24	550.94	533.24	550.94
Measured at FVTPL				
Non-Current investment- Equity shares	-	18.67	-	18.67
Current investment- Mutual funds	-	102.37	-	102.37
Total	**7,605.12**	**7,134.41**	**7,605.12**	**7,134.41**
Financial liabilities				
Measured at amortised cost				
(i) Borrowings	12,500.00	5.33	12,500.00	5.33
(ii) Trade payables	2,980.27	3,383.54	2,980.27	3,383.54
(iii) Other financial liabilities	326.33	175.26	326.33	175.26
(iv) Lease liabilities	3.19	4.77	3.19	4.77
Total	**15,809.79**	**3,568.90**	**15,809.79**	**3,568.90**

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Note 36: Financial instruments and related disclosures (Contd.)

C. Financial risk management objectives

The Company has a system-based approach to risk management, anchored to policies and procedures and internal financial controls aimed at ensuring early identification, evaluation and management of key financial risks (such as market risk, foreign currency risk, credit risk and liquidity risk) that may arise as a consequence of its business operations as well as its investing and financing activities. Accordingly, the Company's risk management framework has the objective of ensuring that such risks are managed within acceptable and approved risk parameters in a disciplined and consistent manner and in compliance with applicable regulation. It also seeks to drive accountability in this regard. The key risks and mitigating actions are overseen by the Board of Directors of the Company.

Liquidity Risk

The Company manages liquidity risk by maintaining adequate cash and cash equivalents, access to banking facilities and availability of funding through committed credit arrangements. The objective is to ensure that sufficient liquidity is available to meet financial liabilities as and when they become due.
The Company monitors its liquidity position through rolling cash flow forecasts considering operational cash flows, working capital requirements, capital expenditure commitments and debt servicing obligations. Management continuously reviews funding requirements based on business operations and financial projections.
During the year ended March 31, 2026, the Company incurred losses and borrowings increased primarily to support capex & working capital requirements. The Company continues to maintain banking relationships and has access to available credit facilities to support its liquidity requirements.

The Company's current assets aggregate ₹ 15,116.88 lakhs (March 31, 2025 ₹ 9,144.08 lakhs) including Current investments, Cash and cash equivalents and Other bank balances of ₹ 2,676.20 lakhs (March 31, 2025 ₹ 183.66 lakhs) against an aggregate current liability of ₹ 11,580.65 lakhs (March 31, 2025 ₹ 4,230.79 lakhs). Further, the Company's total equity stands at ₹ 7143.79 lakhs (March 31, 2025: ₹ 9,100.85 lakhs) and total borrowings of ₹ 12,500 lakhs (March 31, 2025: ₹ 5.33 lakhs).

Management believes that the Company will be able to meet its financial obligations through operational cash flows, available banking facilities and continued focus on working capital management.

Maturity profile of financial liabilities:

As at March 31, 2026

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	7,500.00	5,000.00	-	12,500.00
Lease liabilities	2.05	1.41	-	3.46
Trade payables	2,980.27	-	-	2,980.27
Other financial liabilites	326.33	-	-	326.33

As at March 31, 2025

	Less than 1 year	1 to 5 years	More than 5 years	Total
Borrowings	5.33	-	-	5.33
Lease liabilities	1.95	3.46	-	5.41
Trade payables	3,383.54	-	-	3,383.54
Other financial liabilites	175.26	-	-	175.26

Market Risk

Market risk is the risk that the fair value or future cash flows of financial instruments will fluctuate because of changes in market prices. Market risk primarily comprises interest rate risk and foreign currency risk.

Interest Rate Risk

The Company's exposure to interest rate risk primarily relates to borrowings and investments in bank deposits and mutual funds. Treasury activities are managed in accordance with approved policies and procedures designed to manage market risks within acceptable parameters while optimizing returns.
Investments are primarily made in short-term deposits and mutual fund schemes of reputed financial institutions. Given the relatively short maturity profile of such investments, management believes that the exposure to interest rate and market price risk is not significant.
Fixed deposits are maintained with highly rated banks and generally carry fixed rates of interest, thereby limiting exposure to interest rate volatility.

Foreign Currency Risk

The Company is subject to the risk that changes in foreign currency values impact the Company's export revenues and import of raw materials and property, plant and equipment. The Company is exposed to foreign exchange risk arising from currency exposures, primarily with respect to US Dollars. Financial assets and liabilities denominated in foreign currency, are also subject to reinstatement risk.

The Company manages currency exposures within prescribed limits. The aim of the Company's approach to management of currency risk is to leave the Company with no material residual risk.

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Note 36: Financial instruments and related disclosures (Contd.)

The carrying amounts of non-derivative foreign currency denominated financial assets and liabilities are as follows:

As at March 31, 2026

	USD
Financial Assets	
- Trade receivables	19.73
- Other financial asset	-
Financial Liabilities	
- Trade Payables	(8.24)
- Other financial liabilities	(0.10)
Net financial asset / (liability)	**11.39**

As at March 31, 2025

	USD
Financial Assets	
- Trade receivables	0.11
- Cash and cash equivalents	-
Financial Liabilities	
- Trade Payables	-
- Other financial liabilities	(0.09)
Net financial asset / (liability)	**0.02**

Foreign currency sensitivity analysis

For every percentage point increase in the underlying exchange rate of the outstanding foreign currency denominated assets and liabilities, holding all other variables constant, the profit before tax for the year ended March 31, 2026 would change by ₹ 0.11 lakhs [March 31, 2025: ₹ 0.0002 lakhs]. For every percentage point decrease in the underlying exchange rate would have led to an equal but opposite effect.

The sensitivity analysis includes only outstanding foreign currency denominated monetary items and adjusts their translation at the year-end for a 1% change in foreign currency rates.

Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counter-party fails to meet its contractual obligation.

Concentration of credit risk with respect to trade receivables are limited, due to Company's customer base being large and diverse. All trade receivables are reviewed and assessed for default on a monthly basis. The Company's historical experience of collecting receivables and the level of default indicate that credit risk is low and generally uniform across markets; consequently, trade receivables are considered to be a single class of financial assets. All overdue customer balances are evaluated taking into account the age of the dues, specific credit circumstances, the track record of the counterparty etc. loss allowances and impairment is recognised, where considered appropriate by responsible management.

The credit risk on cash and bank balances and fixed deposits is limited because the counterparties are banks with high credit ratings.

The following table gives details in respect of revenues generated from top customer and top 5 customers:

	For the year ended March 31, 2026	For the year ended March 31, 2025
Revenue from top customers from whom the Company receives 10% or more of its revenues*	4,860.97	4,222.31
Revenue from top 5 customers	6,632.69	5,963.79

* There are 2 customers from whom company is receiving 10% or more of its revenues (March 31, 2025: 2 customers)

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Note 36: Financial instruments and related disclosures (Contd.)

D. Fair value measurement

Fair value hierarchy

The fair value of financial instruments as referred to in Note 36.B above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identified assets or liabilities [Level 1 measurements] and lowest priority to unobservable inputs [Level 3 measurements]

The following levels have been used for classification:

- Level 1: Quoted prices (unadjusted) for identical instruments in active market.
- Level 2: Directly or indirectly observable market inputs, other than Level 1 inputs
- Level 3: Inputs which are not based on observable market data.

If one or more of the significant inputs is not based on observable market data, the fair value is determined using generally accepted pricing models based on a discounted cash flow analysis, with the most significant inputs being the discount rate that reflects the credit risk of counterparty.

The fair value of trade receivables, trade payables and other current financial assets and liabilities is considered to be equal to the carrying amounts of these items due to their short-term nature. Where such items are non-current in nature, the same has been classified as Level 3 and fair value determined using discounted cash flow basis.

The carrying amount of financial assets and financial liabilities measured at amortised cost in the Financial Statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

There were no transfers between Level 1 and Level 2 during the year. Further, there were no changes in the valuation techniques and methods used for determining Level 3 fair values during the year.

The following table presents the fair value hierarchy of assets and liabilities measured at fair value on a recurring basis :

Particulars	**Fair value hierarchy (Level)**	**As at March 31, 2026**	**As at March 31, 2025**
Financial assets			
a) Measured at fair value through profit or loss			
i) Investment in Equity Shares - Quoted	1	-	18.67
ii) Investment in Mutual Funds	1	-	102.37
Total		-	**121.04**

Price Waterhouse Chartered Accountants LLP
LLPIN AAC-5001
FRN 012754N/N500016
Hyderabad

ERL

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Note 37: New Wage code

On November 21, 2025, the Government of India notified provisions of the Code on Wages, 2019, the Industrial Relations Code, 2020, the Code on Social Security, 2020 and the Occupational Safety, Health and Working Conditions Code, 2020, ('Labour Codes') which consolidate twenty-nine existing labour laws into a unified framework governing employee benefits during employment and post-employment.

Based on the draft rules and FAQs issued by the ministry of labour and employment and best available information, the Company has assessed the implications of Labour Codes which has resulted in increase in gratuity liability arising out of past service cost by ₹ 250.41 lakhs. Considering the impact arising out of an enactment of the new legislation is an event of non-recurring nature, the Company has presented the incremental impact as an "Exceptional Item" for the year ended March 31, 2026. The Company continues to monitor the finalisation of central/state rules and other developments pertaining to labour codes and would provide appropriate accounting effect based on the developments, if any.

Note 38: Details of expenditure incurred on research and development

Particulars	For the year ended March 31, 2026
Revenue expenditure(A)	40.31
Capital expenditure (B)	100.14
Total (A+B)	**140.45**

There was no expenditure incurred on research and development during the year ended March 31, 2025.

Note 39: Corporate Social Responsibility

	Particulars		As at March 31, 2026		As at March 31, 2025
(i)	Gross amount required to be spent by the Company during the year		-		39.91
(ii)	Amount spent during the year on :				
	(a) Construction/acquisition of any assets	-		39.91	
	(b) On purposes other than (a) above	-		-	
	Total spent		-		39.91
(iii)	Related party transactions in relation to Corporate Social Responsibility		-		39.91
(iv)	Details of excess amount spent				

	Opening Balance	Amount required to be spent during the year	Amount spent during the year	Closing Balance
Details of excess amount spent	-	-	-	-

(v) Nature of CSR activities undertaken by the Company :
Construction of High School & Senior Secondary School for the year ended March 31, 2025.

Amara Raja Power Systems Limited
Notes to the financial statements for the year ended March 31, 2026
(All amounts are in ₹ in lakhs, except share data and where otherwise stated)

Note 40: Key financial ratios

S.No	Ratio	Numerator	Denominator	March 31, 2026	March 31, 2025	% variance
1	Current ratio	Current assets	Current liabilities	1.31	2.16	-40% A
2	Debt-equity ratio	Total Debt (Borrowings)	Total Equity	1.75	0.00	298669% A
3	Debt service coverage ratio	Earnings available for debt service #	Finance costs (excluding costs pertaining to lease liabilities and unwinding of discount on warranty provision) + Repayment of Borrowings	(15.33)	32.94	-147% B
4	Return on equity (%)	Profit for the year	Average Total Equity	-25.48%	0.85%	-3092% B
5	Inventory turnover ratio	Cost of goods sold	Average Inventory	2.85	6.49	-56% C
6	Trade receivables turnover ratio	Revenue from Sale of Products and Services	Average Trade receivables	2.77	2.39	16%
7	Trade payables turnover ratio	Net Purchases of raw material, packing material and stock-in-trade	Average Trade Payables	4.80	3.00	60% C
8	Net capital turnover ratio	Revenue from operations	Working Capital (Current Assets - Current Liabilities)	4.22	3.06	38% A
9	Net profit ratio (in %)	Profit for the year	Revenue from operations	-13.86%	0.51%	-2802% B
10	Return on Capital employed (%)	Profit before interest (excluding interest on lease liabilities and unwinding of discount on warranty provision), exceptional items and tax	Average Capital employed^	-16.81%	1.50%	-1224% B
11	Return on investment (%)	Income during the year	Time weighted average of investments			
a	Return on Mutual Funds			5.62%	7.29%	-23%
b	Return on Fixed deposits			3.50%	NA	NA D

A. Variance is due to loan taken from holding company for working capital & procurement of capex
B. Variance is due to loss incurred in current year compared to previous year ended March 31, 2025
C. Variance is due to purchase of EMS stock lying in inventory as on March 31, 2026
D. No investments in fixed deposits during year ended March 31, 2026.
Earning available for Debt Service: Profit after tax + depreciation and amortisation expense + finance costs (excluding interest on lease liabilities and unwinding of discount on warranty provision) + net loss on sale of property, plant and equipment - Exceptional item
^[Total Equity + Total Debt (Borrowings) + Deferred tax liabilities].

Note 41: The financial statements are approved for issue by Board of Directors at the meeting held on May 23, 2026.

For Price Waterhouse Chartered Accountants LLP
Firm Registration No: 012754N/N500016

Pranav Kumar Evani
Partner
Membership Number: 515171

Place: Hyderabad
Date: May 23, 2026

For and on behalf of the Board of Directors

Harshavardhana Gourineni
Director
DIN: 07311410

Vikramadithya Gourineni
Director
DIN: 03167659

Ravali Mulagada
Company Secretary

Place: Hyderabad
Date: May 23, 2026

AMARA RAJA POWER SYSTEMS LTD.