Walker Chandiok & Co LLP
Chartered Accountants
21st floor, DLF Square, Jacaranda Marg,
DLF Phase II, Gurugram 122002

G. D. Singhal & Associates
Chartered Accountants
Malwal Road, Ferozepur City,
Punjab 152002, India

Independent Auditor's Report

To the Members of SAEL Industries Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of SAEL Industries Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2025, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Cash Flow and the Standalone Statement of Changes in Equity for the year then ended, and notes to the Standalone 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 standalone financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ('Ind AS') specified under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015 and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March 2025, and its profit (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

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

Emphasis of Matter: Composite Scheme of Arrangement

4. We draw attention to note 52 of the accompanying standalone financial statements which describes that the Company has derecognised the proportionate carrying amount of investment measured at cost in SAEL Limited with corresponding adjustment in the opening reserves of the Company as at 01 April 2023 pursuant to Composite Scheme of Arrangement (the "Scheme") entered between the Company, SAEL Limited and Sapphire Agri and Warehousing Private Limited and their respective shareholders and creditors, for the demerger of the Warehousing and Agri business ("Demerged Undertaking") of SAEL Limited, with effect from the appointed date of 01 January 2023, as approved by the National Company law Tribunal (NCLT) on 06 May 2025. Accordingly, the comparative financial information for the year ended 31 March 2024 has also been restated, as described further in the aforementioned note. Our opinion is not modified in respect of this matter.

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Chartered Accountants

Information other than the Standalone Financial Statements and Auditor's Report thereon

5. The Company's Board of Directors are responsible for the other information. The other information comprises the information included in the Director Report but does not include the standalone financial statements and our auditor's report thereon.

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

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

   The Director Report is not made available to us at the date of this auditor's report. We have nothing to report in this regard.

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

6. The accompanying standalone financial statements have been approved by the Company's Board of Directors. The Company's Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS specified under section 133 of the Act and other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

8. The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

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

10. As part of an audit in accordance with Standards on Auditing, specified under section 143(10) of the Act we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk

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G.D. SINGHAL & ASSOCIATES FRN : 017648N FEROZEPUR CITY CHARTERED ACCOUNTANTS

of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;

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

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

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

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

11. 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.

Report on Other Legal and Regulatory Requirements

12. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

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

14. Further to our comments in Annexure A, as required by section 143(3) of the Act based on our audit, we report, to the extent applicable, 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 purpose of our audit of the accompanying standalone financial statements;

    b) 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), in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

    c) The standalone financial statements dealt with by this report are in agreement with the books of account;

    d) In our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) On the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2025 from being appointed as a director in terms of section 164(2) of the Act;

f) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in paragraph 14(b) above on reporting under section 143(3)(b) of the Act and paragraph 14(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended);

g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company as on 31 March 2025 and the operating effectiveness of such controls, refer to our separate report in Annexure B wherein we have expressed an unmodified opinion; and

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 does not have any pending litigation which would impact its financial position as at 31 March 2025;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2025;

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 31 March 2025;

iv.

a. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 45(b) to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or securities premium or any other sources or kind of funds) by the Company to or in any person(s) or entity(ies), including foreign entities ('the 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 ('the Ultimate Beneficiaries') or provide any guarantee, security or the like on behalf the Ultimate Beneficiaries;

b. The management has represented that, to the best of its knowledge and belief, other than as disclosed in note 45 (a) to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ('the 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 performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clauses (a) and (b) above contain any material misstatement.

v. The Company has not declared or paid any dividend during the year ended 31 March 2025.

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G.D. SINGHAL & ASSOCIATES * FRN : 017648N FEROZEPUR CITY * CHARTERED ACCOUNTANTS

Chartered Accountants

vi. As stated in note 51 to the standalone financial statements and based on our examination which included test checks, except for instance mentioned below, the Company, in respect of financial year commencing on 1 April 2024, has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with other than the consequential impact of the exception given below. Furthermore, except for instance mentioned below, the audit trail has been preserved by the Company as per the statutory requirements for record retention.

Nature of exception noted	Details of Exception
Instances of accounting software for maintaining books of account for which the feature of recording audit trail (edit log) facility was not operated throughout the year for all relevant transactions recorded in the software	The audit trail feature was not enabled at the database level for accounting software to log any direct data changes, used for maintenance of all accounting records by the Company.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

Tarun Gupta
Partner
Membership No.: 507892
UDIN: 25507892BMNSNS5196
Place: New Delhi
Date: 12 June 2025

For **G. D. Singhal & Associates**
Chartered Accountants
Firm Registration No.: 017648N

G.D. SINGHAL & ASSOCIATES * FRN : 017648N FEROZEPUR CITY * CHARTERED ACCOUNTANTS

Gagan Deep Singhal
Partner
Membership No.: 098947
UDIN: 25098947BMLZDR6732
Place: New Delhi
Date: 12 June 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of SAEL Industries Limited on the standalone financial statements for the year ended 31 March 2025

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

(i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment and right-of-use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The property, plant and equipment and right-of-use assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of physical verification programme adopted by the Company, is reasonable having regard to the size of the Company and the nature of its assets.

(c) The Company does not own any immovable property (other than properties where the Company is the lessee and the lease agreements are duly executed in favour of the lessee). Accordingly, reporting under clause 3(i)(c) of the Companies (Auditor's Report) Order, 2020 (hereinafter referred to as 'the Order') is not applicable to the Company.

(d) The Company has adopted cost model for its Property, Plant and Equipment, right-of-use assets and intangible assets. Accordingly, reporting under clause 3(i)(d) of the Order is not applicable to the Company.

(e) No proceedings have been initiated or are pending against the Company for holding any benami property under the Prohibition of Benami Property Transactions Act, 1988 (as amended) and rules made thereunder.

(ii) (a) The Company does not hold any inventory. Accordingly, reporting under clause 3(ii)(a) of the Order is not applicable to the Company.

(b) As disclosed in note 36 to the standalone financial statements, the Company has been sanctioned a working capital limit in excess of Rs. 50.00 million by banks based on the security of current assets. The Company has not filed the quarterly return with such banks as required by the sanction letter and accordingly, we are unable to comment on discrepancies, if any, with the books of accounts of the Company for the respective periods.

(iii) The Company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans to firms, limited liability partnerships during the year. Further, the Company has made investments in, provided guarantee and granted unsecured loans to Companies during the year, in respect of which:





Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of SAEL Industries Limited on the standalone financial statements for the year ended 31 March 2025 (cont'd)

(a) The Company has provided loans and guarantees during the year as per details given below:

(Amount in millions)

Particulars	Guarantees	Loans*
Aggregate amount provided during the year - Subsidiaries (including step down subsidiaries)	57,301.00	16,251.31
Balance outstanding as at balance sheet date - Subsidiaries (including step down subsidiaries)	57,196.00	14,713.91

*The amounts are without considering the effect of fair valuation of loan as per Ind AS 109 "Financial Instruments: Recognition, Measurement, and Derecognition"

(b) In our opinion, and according to the information and explanations given to us, the investments made and guarantee provided by the Company are not prejudicial to the Company's interest. However, according to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the terms and conditions of loans granted by the Company to its subsidiaries, total loan amount granted Rs. 16,251.31 millions and balance outstanding as at balance sheet date Rs. 14,713.91 millions are, prima facie, prejudicial to the Company's interest on account of the fact that the loans have been granted at interest free which is significantly lower than the cost of funds to the company and also lower than the prevailing yield of government security closest to the tenor of the loan.

(c) In respect of non-current loans granted by the Company, the schedule of repayment of principal has been stipulated and principal amount is not due for repayment currently, also in respect of current loans granted by the Company, the schedule of repayment of principal has not been stipulated and accordingly, we are unable to comment as to whether the repayments of principal are regular. Further, no interest is receivable on such loans.

(d) There is no overdue amount in respect of non-current loans granted to such Companies and in the absence of stipulated schedule of repayment of principal in respect of current loans, we are unable to comment as to whether there is any amount which is overdue for more than 90 days. Reasonable steps have been taken by the Company for recovery of such principal amounts.

(e) The Company has not granted any non-current loans which has fallen due during the year. Further, no fresh loans were granted to any party to settle the overdue non-current loans that existed as at the beginning of the year and in respect of current loans granted by the Company, the schedule of repayment of principal has not been stipulated. Further, no interest is receivable on such current loans. According to the information and explanation given to us, such current loans have not been demanded for repayment as on date.

(f) The Company has granted loans which are repayable on demand, as per details below:

Particulars	All Parties	Promoters	Related Parties
Aggregate of loans/advances in nature of loan - Repayable on demand (A) - Agreement does not specify any terms or period of repayment (B)	1,401.46 -	- -	1,401.46 -

Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of SAEL Industries Limited on the standalone financial statements for the year ended 31 March 2025 (cont'd)

Total (A+B)	1,401.46	-	1,401.46
Percentage of loans/advances in nature of loan to the total loans	100%	-	100%

(iv) The Company has not entered into any transaction covered under section 185 of the Act. As Company is engaged in providing infrastructural facilities as specified in Schedule VI of the Act, provisions of section 186 except sub-section (1) of the Act are not applicable to the Company. In our opinion, and accordingly to the information and explanations given to us, the Company has complied with the provisions of sub-section (1) of section 186 of the Act in respect of investments, as applicable.

(v) In our opinion, and according to the information and explanations given to us, the Company has not accepted any deposits or there are no amounts which have been deemed to be deposits within the meaning of sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, reporting under clause 3(v) of the Order is not applicable to the Company.

(vi) The Central Government has not specified maintenance of cost records under sub-section (1) of section 148 of the Act, in respect of Company's products/ services / business activities. Accordingly, reporting under clause 3(vi) of the Order is not applicable.

(vii)(a) In our opinion, and according to the information and explanations given to us, undisputed statutory dues including provident fund, employees' state insurance and other material statutory dues, as applicable, have generally been regularly deposited with the appropriate authorities, though goods and services tax and income tax have not generally been regularly deposited with the appropriate authorities and there have been significant delays in a large number of cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us, we report that there are no statutory dues referred to in subclause (a) above that have not been deposited with the appropriate authorities on account of any dispute.

(viii) According to the information and explanations given to us, we report that no transactions were surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (43 of 1961) which have not been previously recorded in the books of accounts.

(ix) (a) In our opinion and according to the information and explanations given to us, loans amounting to Rs. 151.20 million are repayable on demand and terms and conditions for payment of interest thereon have not been stipulated. Further, such loans and interest thereon have not been demanded for repayment as on date.

(b) According to the information and explanations given to us including representation received from the management of the Company, and on the basis of our audit procedures, we report that the Company has not been declared a willful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information and explanations given to us, the Company has not raised any money by way of term loans during the year and did not have term loans outstanding at the beginning of the current year. Accordingly, reporting under clause 3(ix)(c) of the Order is not applicable to the Company.

(d) In our opinion and according to the information and explanations given to us, and on an overall examination of the financial statements of the Company, funds raised by the Company on short term basis have, prima facie, not been utilised for long term purposes.

Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of SAEL Industries Limited on the standalone financial statements for the year ended 31 March 2025 (cont'd)

(e) In our opinion and according to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries, except for the following:

Nature of fund taken	Name of lender	Amount involved (Rs. In million)	Name of the subsidiary	Relation	Nature of transaction for which funds were utilised	Remarks, if any
Compulsory Convertible Preference Shares	Norfund	2,765.50	SAEL Limited	Subsidiary	Granting of further loans to SAEL Limited	

(f) According to the information and explanations given to us, the Company has not raised any loans during the year on the pledge of securities held in its subsidiaries (including step down subsidiaries).

(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, reporting under clause 3(x)(a) of the Order is not applicable to the Company.

(b) During the year, the Company has made preferential allotment of shares and private placement of compulsory convertible preference shares. In our opinion and according to the information and explanations given to us, the Company has complied with the requirements of section 42 and section 62 of the Act and the rules framed thereunder with respect to the same. Further, the amounts so raised were used for the purposes for which the funds were raised, though idle/surplus funds which were not required for immediate utilisation have been invested in readily realisable liquid investments.

(xi) (a) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no fraud on the Company has been noticed or reported during the period covered by our audit.

(b) According to the information and explanations given to us including the representation made to us by the management of the Company, no report under sub-section 12 of section 143 of the Act has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014, with the Central Government for the period covered by our audit.

(c) According to the information and explanations given to us including the representation made to us by the management of the Company, there are no whistle-blower complaints received by the Company during the year.

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

(xiii) In our opinion and according to the information and explanations given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of the Act, where applicable. Further, the details of such related party transactions have been disclosed in the standalone financial statements, as required under Indian Accounting Standard (Ind AS) 24, Related Party Disclosures specified in Companies (Indian Accounting Standards) Rules 2015 as prescribed under section 133 of the Act.

Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of SAEL Industries Limited on the standalone financial statements for the year ended 31 March 2025 (cont'd)

(xiv) (a) According to the information and explanations given to us, the Company has an internal audit system which is commensurate with the size and nature of its business as required under the provisions of section 138 of the Act.

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

(xv) According to the information and explanation given to us, the Company has not entered into any non-cash transactions with its directors or persons connected with its directors and accordingly, reporting under clause 3(xv) of the Order with respect to compliance with the provisions of section 192 of the Act are 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, reporting under clauses 3(xvi)(a), (b) and (c) of the Order are not applicable to the Company.

(d) Based on the information and explanations given to us and as represented by the management of the Company, the Group (as defined in Core Investment Companies (Reserve Bank) Directions, 2016) does not have any Core Investment Companies (CIC).

(xvii) The Company has not incurred any cash losses in the current financial year as well as the immediately preceding financial year.

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

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information in the standalone financial statements, our knowledge of the plans of the Board of Directors and management 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 indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) According to the information and explanations given to us, the Company does not meet the criteria as specified under sub-section (1) of section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and according, reporting under clause 3(xx) of the Order is not applicable to the Company.





Annexure A referred to in Paragraph 13 of the Independent Auditor's Report of even date to the members of SAEL Industries Limited on the standalone financial statements for the year ended 31 March 2025 (cont'd)

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

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

Tarun Gupta
Partner
Membership No.: 507892
UDIN:25507892BMNSNS5196
Place: New Delhi
Date: 12 June 2025

For **G. D. Singhal & Associates**
Chartered Accountants
Firm Registration No.: 017648N

G.D. SINGHAL & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN : 017648N FEROZEPUR CITY

Gagan Deep Singhal
Partner
Membership No.: 098947
UDIN:25098947BMLZOR6732
Place: New Delhi
Date: 12 June 2025

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

Annexure B to the Independent Auditor's Report of even date to the members of SAEL Industries Limited on the standalone financial statements for the year ended 31 March 2025

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

1. In conjunction with our audit of the standalone financial statements of SAEL Industries Limited ('the Company') as at and for the year ended 31 March 2025, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

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

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

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 Standards on Auditing issued by the Institute of Chartered Accountants of India ('ICAI') prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting ('the Guidance Note') 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 were 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements includes obtaining an understanding of such internal financial controls, 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 with reference to financial statements.

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.

Chartered Accountants

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

G.D. SINGHAL & ASSOCIATES ★ FRN : 017648N FEROZEPUR CITY ★ CHARTERED ACCOUNTANTS

Annexure B to the Independent Auditor's Report of even date to the members of SAEL Industries Limited on the financial statements for the year ended 31 March 2025 (continued)

A company's internal financial controls with reference to financial statements include 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 standalone 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 with reference to financial statements and such controls were operating effectively as at 31 March 2025, based on the internal financial controls with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun

Tarun Gupta
Partner
Membership No.: 507892
UDIN: 25507892BMNSNS5196
Place: New Delhi
Date: 12 June 2025

For **G. D. Singhal & Associates**
Chartered Accountants
Firm Registration No.: 001076N

G.D. SINGHAL & ASSOCIATES ★ FRN : 017648N FEROZEPUR CITY ★ CHARTERED ACCOUNTANTS

Gagan Deep Singhal
Partner
Membership No.: 098947
UDIN: 25098947BMLZOR6732
Place: New Delhi
Date: 12 June 2025

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

SAEL Industries Limited
CIN- U40106PB2022PLC055755
Standalone Balance Sheet as at 31 March 2025
(All amounts in Rs. millions, unless otherwise stated)

Particulars	Notes	As at 31 March 2025	As at 31 March 2024 Restated (refer note 52)
Assets			
Non current assets			
Property, plant and equipment	3	187.74	25.72
Right-of-use assets	3	187.54	186.92
Intangible assets	4	12.04	-
Financial assets			
Investments	5	18,854.16	8,950.86
Loans	14	18,898.00	9,478.26
Other financial assets	6	338.21	134.61
Deferred tax assets (net)	7	2,084.72	1,495.16
Non-current tax assets (net)	8	-	143.67
Total non current assets		40,562.41	20,415.20
Current assets			
Inventories	9	-	278.54
Financial assets			
Investments	10	538.69	-
Trade receivables	11	5,590.25	435.75
Cash and cash equivalents	12	850.29	247.50
Bank balances other than cash and cash equivalents above	13	967.09	685.99
Loans	14	1,401.46	-
Other financial assets	15	1,978.04	244.74
Other current assets	16	5,169.89	1,655.62
Total current assets		16,495.71	3,548.14
Total assets		57,058.12	23,963.34
Equity and liabilities			
Equity			
Equity share capital	17	493.54	461.29
Other equity	18	6,037.49	1,868.01
Total equity		6,531.03	2,329.30
Liabilities			
Non current liabilities			
Financial liabilities			
Lease liabilities	19	133.61	135.28
Other financial liability	20	15,436.08	10,294.76
Provisions	21	29.42	19.23
Total non current liabilities		15,599.11	10,449.27
Current liabilities			
Financial liabilities			
Borrowings	22	166.35	3,018.57
Lease liabilities	19	110.09	85.44
Trade payables			
Total outstanding dues of micro enterprises and small enterprises	23	1,170.70	-
Total outstanding dues of creditors other than micro enterprises and small enterprises		8,388.05	1,717.06
Other financial liabilities	24	36.93	11.15
Other current liabilities	25	24,755.26	6,336.42
Provisions	26	21.47	16.13
Current tax liabilities (net)	27	279.13	-
Total current liabilities		34,927.98	11,184.77
Total liabilities		50,527.09	21,634.04
Total equity and liabilities		57,058.12	23,963.34
Summary of material accounting policy information	2		
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date attached

For Walker Chandiok & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: New Delhi
Date: 12 June 2025

For G.D. Singhal & Associates
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No. 098400

Place: New Delhi
Date: 12 June 2025

For and on behalf of the Board of Directors
SAEL Industries Limited

Jasbir Singh
Managing Director
DIN- 01668231

Place: New Delhi
Date: 12 June 2025

Sukhbir Singh
Director
DIN- 01785240

Place: New Delhi
Date: 12 June 2025

Pushyant Kumar
Chief Financial Officer
PAN: APNPK8847H

Place: New Delhi
Date: 12 June 2025

Vishal Garg
Company Secretary
Membership No - F6867

Place: New Delhi
Date: 12 June 2025

SAEL Industries Limited
CIN- U40106PB2022PLC055755
Standalone Statement of Profit and Loss for the year ended 31 March 2025
(All amounts in Rs. millions, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
Income			
Revenue from operations	28	46,758.91	6,891.87
Other income	29	1,964.63	688.78
Total income		**48,723.54**	**7,580.65**
Expenses			
Cost of materials consumed and erection services	30	41,955.25	6,175.79
Employee benefits expense	31	344.82	491.50
Finance costs	32	156.29	82.01
Depreciation and amortisation expense	33	159.64	45.18
Fair value changes on financial instrument		1,303.46	957.96
Other expenses	34	282.97	338.79
Total expense		**44,202.43**	**8,091.23**
Profit/(loss) before tax and exceptional items		**4,521.11**	**(510.58)**
Exceptional items	47	191.50	-
Profit/(loss) before tax for the year		**4,329.61**	**(510.58)**
Tax expense			
Current year:			
Current tax		980.28	-
Deferred tax	7	440.44	145.85
Total tax expense		**1,420.72**	**145.85**
Profit/(loss) for the year		**2,908.89**	**(656.43)**
Other comprehensive income for the year, net of tax			
Items that will not be reclassified to profit and loss and their related in,come tax effect			
Remeasurements of defined benefit plans		4.01	12.99
Income tax relating to items that will not be reclassified to profit or loss		(1.17)	(3.78)
Total other comprehensive income for the year, net of tax		**2.84**	**9.21**
Total comprehensive income for the year		**2,911.73**	**(647.22)**
Earnings per equity share (of Rs. 10 each, fully paid up)	42		
Basic earning per share		62.31	(14.23)
Diluted earning per share		62.31	(14.23)
Summary of material accounting policy information	2		
The accompanying notes are an integral part of the standalone financial statements			

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: New Delhi
Date: 12 June 2025

For **G.D. Singhal & Associates**
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No. 098947

Place: New Delhi
Date: 12 June 2025

For and on behalf of the Board of Directors
SAEL Industries Limited

Jasbir Singh
Managing Director
DIN- 01668231

Place: New Delhi
Date: 12 June 2025

Sukhbir Singh
Director
DIN- 01785240

Place: New Delhi
Date: 12 June 2025

Dushyant Kumar
Chief Financial Officer
PAN: APNPK8847H

Place: New Delhi
Date: 12 June 2025

Vishal Garg
Company Secretary
Membership No - F6867

Place: New Delhi
Date: 12 June 2025

SAEL Industries Limited
CIN - U40101PB1999PLC023197
Standalone Statement of Cash Flows for the year ended 31 March 2024
(All amounts in Rs. millions, unless otherwise stated)

Particulars	Notes	For the year ended 31 March 2025	For the year ended 31 March 2024
A CASH FLOWS FROM OPERATING ACTIVITIES			
Profit/(loss) before tax for the year		4,329.61	(510.58)
Adjustments for:			
Depreciation and amortisation expense	33	159.64	45.18
Finance costs	32	156.29	82.01
Interest income on bank deposits	29	(230.04)	(94.02)
Interest income on on related party loans	29	(1,607.00)	(559.45)
Fair value changes on financial instruments		1,303.46	957.96
Unwinding of other financial assets	29	(5.44)	(2.13)
Income tax refund	29	(5.33)	
Fair value gain on mutual fund	29	(8.09)	-
Modification gain on financial assets	29	(66.44)	
Gain on sale of mutual fund	29	(18.71)	(32.17)
Operating profit/(loss) before working capital changes		**4,007.95**	**(113.20)**
Movement in working capital			
Increase in trade receivables	11	(5,154.50)	(449.76)
Decrease/(increase) in inventories	9	278.54	(278.54)
Increase in other current and non-current financial assets	6,15	(292.69)	(127.69)
Increase in other current assets	16	(3,514.28)	(1,252.21)
Increase in trade payables	24	7,841.69	1,710.83
Increase in other current financial liabilities	24	17.89	5.55
Decrease/ increase in other current and non-current liabilities	22,26	18,418.84	6,318.05
Increase in provisions	21,27	19.54	48.34
Cash flows generated from operating activities post working capital changes		**21,622.98**	**5,861.37**
Income tax paid (net)	6,7,28	(625.24)	(143.05)
Net cash flows (used in)/generated from operating activities (A)		**20,997.74**	**5,718.32**
B CASH FLOWS FROM INVESTING ACTIVITIES			
Payment made for property, plant and equipment (including capital advances)	3,4	(213.62)	(33.52)
Interest received during the year	29	230.04	94.02
Investment in subsidiaries	5	(4,913.48)	(1,970.90)
Non current loans given to related parties	14	(12,694.94)	(14,357.82)
Investment in mutual fund	10	(530.60)	-
Current loans (given to)/repayment received from related parties	14	(1,401.46)	4,306.28
Investment in bank deposits made during the year (net)	13	(1,919.88)	(473.89)
Gain on sale of mutual funds	10	18.71	32.17
Net cash flows used in investing activities (B)		**(21,425.23)**	**(12,403.66)**
C CASH FLOWS FROM FINANCING ACTIVITIES			
Proceeds from issue of shares	17	1,290.00	0.04
Proceeds from issue of compulsory convertible preference shares	20	2,765.50	6,018.00
(Repayment) / proceeds from current borrowings (net)*	22	(2,852.22)	570.48
Finance costs	32	(55.56)	(82.01)
Payment of principal lease liabilities	19	(117.44)	(8.51)
Net cash flows generated from financing activities (C)		**1,030.28**	**6,498.00**
Increase/ (decrease) in cash and cash equivalents (A+B+C)		602.79	(187.34)
Cash and cash equivalents at the beginning of the year		247.50	434.84
Cash and cash equivalents at the end of the year		**850.29**	**247.50**

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WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

G.D. SINGHAL & ASSOCIATES ★ FRN : 017648N FEROZEPUR CITY ★ CHARTERED ACCOUNTANTS

SAEL Industries Limited ★

SAEL Industries Limited
CIN - U40101PB1999PLC023197
Standalone Statement of Cash Flows for the year ended 31 March 2024
(All amounts in Rs. millions, unless otherwise stated)

(i) The above Cash flow statement has been prepared under the "Indirect Method" as set out in Indian Accounting Standard-7, "Statement of Cash Flows".
(ii) Refer note 44 for reconciliation of movements of liabilities to cash flows arising from financing activities in accordance with Indian Accounting Standard-7.

Material accounting policy information
The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: New Delhi
Date: 12 June 2025

For **G.D. Singhal & Associates**
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No. 503047

Place: New Delhi
Date: 12 June 2025

For and on behalf of the Board of Directors
SAEL Industries Limited

Jasbir Singh
Managing Director
DIN- 01668231

Place: New Delhi
Date: 12 June 2025

Sukhbir Singh
Director
DIN- 01785240

Place: New Delhi
Date: 12 June 2025

Dushyant Kumar
Chief Financial Officer
PAN: APNPK8847H

Place: New Delhi
Date: 12 June 2025

Vishal Garg
Company Secretary
Membership No - F6867

Place: New Delhi
Date: 12 June 2025

SAEL Industries Limited
CIN- U40106PB2022PLC055755
Standalone Statement of Changes in Equity for the year ended 31 March 2025
(All amounts in Rs. millions, unless otherwise stated)

A Equity share capital

Particulars	Balance as at 01 April 2023 Restated (refer note 52)	Issue of equity share capital during the year*	Balance as at 31 March 2024	Issue of equity share capital during the year	Balance as at 31 March 2025
Equity share capital (refer note 17)	461.29	0.00	461.29	32.25	493.54

**Certain amounts that are required to be disclosed and do not appear due to rounding-off are expressed as "0.00"*

B Other equity (refer note 18)

Particulars	Reserve and surplus		Total
	Securities premium	Retained earnings	
Balance as at 01 April 2023	6,457.09	(148.37)	**6,308.72**
Distribution to shareholders (refer note 52)	-	(3,793.49)	(3,793.49)
Loss during the year	-	(656.43)	(656.43)
Other comphrensive income for the year (net of tax)	-	9.21	9.21
Balance as at 31 March 2024	**6,457.09**	**(4,589.08)**	**1,868.01**
Profit during the year	-	2,908.89	2,908.89
Addition during the year	1,257.75	-	1,257.75
Other comphrensive income for the year (net of tax)	-	2.84	2.84
Balance as at 31 March 2025	**7,714.84**	**(1,677.35)**	**6,037.49**

Material accounting policy information 2
The accompanying notes are an integral part of the standalone financial statements

As per our report of even date attached

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: New Delhi
Date: 12 June 2025

For **G.D. Singhal & Associates**
Chartered Accountants
Firm's Registration No.: 017648N

FRN : 017648N
FEROZEPUR CITY

Gagan Deep Singhal
Partner
Membership No. 098047

Place: New Delhi
Date: 12 June 2025

For and on behalf of the Board of Directors
SAEL Industries Limited

Jasbir Singh
Managing Director
DIN- 01668231

Place: New Delhi
Date: 12 June 2025

Sukhbir Singh
Director
DIN- 01785240

Place: New Delhi
Date: 12 June 2025

Dushyant Kumar
Chief Financial Officer
PAN: APNPK8847H

Place: New Delhi
Date: 12 June 2025

Vishal Garg
Company Secretary
Membership No - F6867

Place: New Delhi
Date: 12 June 2025

SAEL Industries Limited
CIN: U40106PB2022PLC055755
Notes to standalone standalone financial statements for the year ended 31 March 2025

1 Corporate information

The Company 'SAEL Industries Limited was incorporated as of 25 April 2022 under the Companies Act, 2013. The Company is domiciled in India with its registered office situated at H.No.44, Model Town, Faridkot Road, Guruharsahai, Distt. Ferozepur, Punjab. During the financial year 2023, all the shareholders of SAEL Limited contributed their shares in a partnership firm, HSA & Sons and partnership firm got succeeded in SAEL Industries Limited by entering into a succession agreement. Pursuant to the succession on 04 July 2022, SAEL Industries Limited became the Holding Company of the SAEL Limited.
The standalone financial statements have been authorised for issue by the Board of Directors on 12 June 2025.

The Company, together with its subsidiaries, are engaged in the business of establishing, commissioning, setting up, operating and maintaining power generation using solar, fossil and alternate source of energy and act as owners, manufacturers, engineers, procurers, buyers, sellers, distributors, dealers and contractors for setting up of power plant using glass bases mirrors, photo voltaic, boilers, turbines and/or other equipments for generating, distribution and supplying of electricity and other products using solar, fossil and alternate source of energy under conditions of direct ownership or through its affiliates, associates or subsidiaries.

2 Material accounting policy information

2.01 Basis of preparation

The standalone financial statements have been prepared on an accrual basis and under the historical cost convention. Monetary amounts are expressed in Indian Rupees (Rs.) and are rounded to the nearest millions with two decimals, except for earnings per share.
These standalone financial statements have been prepared in accordance with the accounting policies, set out below and were consistently applied to all periods presented unless otherwise stated. They have been prepared under the assumption that the Company operates on a going concern basis, which assumes the Company will be able to discharge its liabilities as and when they fall due.

Statement of compliance

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015 and other relevant provisions of the Companies Act, 2013 (the "Act") (as amended from time to time).

2.02 Revenue

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.

A) Engineering, procurement and construction contract

Construction revenue and costs are recognised by reference to the stage of completion of the construction activity at the balance sheet date, as measured by the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Where the outcome of the construction cannot be estimated reliably, revenue is recognised to the extent of the construction costs incurred if it is probable that they will be recoverable. When the outcome of the contract is ascertained reliably, contract revenue is recognised at cost of work performed on the contract plus proportionate margin, using the percentage of completion method i.e. over the period of time. The estimated outcome of a contract is considered reliable when all the following conditions are satisfied:
i.The amount of revenue can be measured reliably,
ii. It is probable that the economic benefits associated with the contract will flow to the Company,
iii.The stage of completion of the contract at the end of the reporting period can be measured reliably,
iv.The costs incurred or to be incurred in respect of the contract can be measured reliably.
Provision is made for all losses incurred to the balance sheet date. Variations in contract work, claims and incentive payments are recognised to the extent that it is probable that they will result in revenue and they are capable of being reliably measured. Expected loss, if any, on a contract is recognised as expense in the period in which it is foreseen, irrespective of the stage of completion of the contract. For contracts where progress billing exceeds the aggregate of contract costs incurred to-date and recognised profits (or recognised losses, as the case may be), the surplus is shown as the amount due to customers. Amount received before the related work is performed are disclosed in the standalone financial statement as a liability towards advance received. Amounts billed for work performed but yet to be paid by the customers are disclosed in the standalone financial statement as trade receivables. Work performed but yet not billed to the Customer are disclosed as unbilled revenue.

B) Interest income

Interest income is recorded using the effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortized cost of the financial liability. When calculating the effective interest rate, the Company estimates the expected cash flows by considering all the contractual terms of the financial instrument but does not consider the expected credit losses. Interest income is included in other income in the Statement of Profit and Loss.







2.03 Property, plant and equipment

Property, plant and equipments are carried at cost less accumulated depreciation. The cost of items of the property, plant and equipment comprises its purchase price net of any trade discount and rebate, any import duties and other taxes (other than those subsequently recoverable from tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses and interest on borrowings attributable to acquisition of qualifying property, plant and equipment upto the date the asset is ready for its intended use.

Whenever significant parts of the property, plant and equipment are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in statement of Profit and Loss as incurred.

Based on technical assessment made by technical expert and management estimate, the Company have assessed the estimated useful lives of certain property, plant and equipment that are different from the useful life prescribed in Schedule II to the Companies Act, 2013. The management believes that these estimated useful lives are realistic and reflect fair approximation of the period over which the assets are likely to be used.
The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively.

Depreciation on assets provided as follows:-

Estimated useful life

Asset category	Estimated useful life (in years)
Furniture and fittings	10
Office equipments	5
Computer equipments	3

The leasehold improvements are depreciated using straight line method over the primary period of the lease or useful life of the assets (generally 10 years), whichever is lower

Method of depreciation

- Depreciation is provided on staright line method
- Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (upto) the date on which asset is ready for use (disposed of).

De-Recognition

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

2.04 Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following the initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. Internally generated intangibles , excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which theexpenditure is incurred.
The useful lives of intangible assets are assessed as either finite or indefinite. Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired.
Estimated useful lives of the intangible assets are as follows:

Estimated useful life

Asset category	Estimated useful life (in years)
Software	3

2.05 Leases

The lease asset classes primarily consist of leases for building. 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 recognises 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 recognises the lease payments as an operating expense on a straight-line basis over the term of the lease.

The right-of-use assets are initially recognised 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 amortisation and impairment losses. Right-of-use assets are amortised 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.

The lease liability is initially measured at amortised cost at the present value of the future lease payments. The lease payments are discounted using the incremental borrowing rates. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Compnay changes its assessment as to 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 activity in statement of cash flows.

WALKER CHANDIOK & CO LLP ★ CHARTERED ACCOUNTANTS ★

G.D. SINGHAL & ASSOCIATES ★ CHARTERED ACCOUNTANTS ★ FRN : 017648N FEROZEPUR CITY

SAEL Industries Limited ★

2.06 Impairment of non-financial assets

For impairment assessment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating units). As a result, some assets are tested individually for impairment and some are tested at cash-generating unit level. All individual assets or cash-generating units are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The date used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

An impairment loss is recognised for the amount by which the asset's (or cash-generating unit's) carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use. To determine the value-in-use, management estimates expected future cash flows from each cash-generating unit and determines a suitable discount rate in order to calculate the present value of those cash flows. The date used for impairment testing procedures are directly linked to the Company's latest approved budget, adjusted as necessary to exclude the effects of future reorganisations and asset enhancements. Discount factors are determined individually for each cash-generating unit and reflect current market assessments of the time value of money and asset-specific risk factors.

2.07 Financial instruments

Recognition, initial measurement and derecognition

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the financial instrument, and, except for trade receivables which do not contain a significant financing component, these are measured initially at:

a) fair value, in case of financial instruments subsequently carried at fair value through Profit and Loss (FVTPL);

b) fair value adjusted for transaction costs, in case of all other financial instruments.

Financial assets are derecognised when the contractual rights to the cash flows from the financial asset expire, or when the financial asset and substantially all the risks and rewards are transferred. A financial liability is derecognised when the underlying obligation specified in the contract is discharged, cancelled or expires.

Classification and subsequent measurement of financial assets

Different criteria to determine impairment are applied for each category of financial assets, which are described below.

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

- Financial assets at amortised cost
- Financial assets at fair value through other comprehensive income (FVOCI)
- Financial assets, derivatives and equity instruments at FVTPL

(1) Financial assets at amortised cost

Classification and subsequent measurement of financial assets

Financial Assets

The financial assets is measured at the amortised cost if both the following conditions are met:

(a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

(b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the Profit and Loss. When the financial asset is derecognised or impaired, the gain or loss is recognised in the statement of Profit and Loss.

De- Recognition of financial assets

Financial assets (or where applicable, a part of financial asset or part of a Company of similar financial assets) are derecognised from the balance sheet when the contractual rights to receive the cash flows from the financial asset have expired, or when the financial asset and substantially all the risks and rewards are transferred. The Company also derecognises the financial asset if it has both transferred the financial asset and the transfer qualifies for derecognition

Impairment of financial assets

In accordance with Ind-AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss for financial assets carried at amortised cost.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive. When estimating the cash flows, the Company is required to consider :

- All contractual terms of the financial assets (including prepayment and extension) over the expected life of the assets.
- Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

Trade receivables

The Company applies simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of receivables.

Other financial assets

For recognition of impairment loss on other financial assets and risk exposure, the Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, life time impairment loss is provided otherwise provides for 12 month expected credit losses.

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Classification and subsequent measurement of financial liabilities

Financial liabilities are measured subsequently at amortised cost using the effective interest method except for derivatives and financial liabilities designated at FVTPL, which are carried subsequently at fair value with gains or losses recognised in profit or loss.

Compound financial instruments

Compound financial instruments are separated into liability and equity components based on the terms of contract. On the issuance of compound financial instruments, the fair value of liability component is determined using a market rate for an equivalent instrument. This amount is classified as a financial liability measured at amortised cost (net of transaction costs) until it is extinguished on conversion or redemption. The equity component is classified under other equity.

(2) Financial assets at fair value through other comprehensive income (FVOCI)

Financial assets at fair value through other comprehensive income (FVOCI). Financial assets that meet the following conditions are measured initially as well as at the end of each reporting date at fair value, recognised in other comprehensive income (OCI).

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and

b) The contractual terms of the asset give rise on specified dates to cash flows that represent solely payment of principal and interest.

(3) Financial assets at fair value through Profit and Loss (FVTPL)

Financial assets at fair value through profit or loss (FVTPL). Financial assets that do not meet the amortised cost criteria or FVTOCI criteria are measured at FVTPL. Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset.

(4) Financial Liability

The Company's financial liabilities include borrowings, lease liability, trade and other payables and other financial liabilities.

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in profit or loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in profit or loss. Any gain or loss on derecognition is also recognised in profit or loss. Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down.

For trade and other payables maturing with in one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity os these instruments.

De-Recognition of financial liability

A financial liability is de-recognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in Statement of Profit and Loss.

Offsetting of financial assets and financial liabilities

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

2.08 Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ noncurrent classification.

An asset is treated as current when it is:

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

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting year, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

Operating cycle

Based on the nature of the operations and the time between the acquisition of assets for processing and their realisation in cash or cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current/non-current classification of assets and liabilities.

2.09 Contract liabilities

A contract liability is the obligation to transfer services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the Company transfers services to the customer, a contract liability is recognized when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognized as revenue when the Company performs under the contract.

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2.10 Income taxes

Tax expense comprises current and deferred tax. Tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity or other comprehensive income, in which case it is recognised in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable on the taxable income for the year. The amount of current tax payable is the best estimate of the tax amount expected to be paid that reflects uncertainty related to income taxes, if any. It is measured using tax rates enacted or substantively enacted at the reporting date. Current tax assets and liabilities are offset only if certain criteria is met. Current Income tax related to items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity as the case may be.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and tax base i.e. amounts used for taxation purposes.

A deferred tax asset is recognised for unused tax losses, unabsorbed depreciation, deductible temporary differences, to the extent that it is probable that future taxable profits will be available against which they can be utilized. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised. A deferred tax liability is recognised in respect of taxable temporary differences.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date. Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets and they relate to income taxes levied by the same tax authority on the same taxable entity or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

2.11 Cash and cash equivalents

Cash and cash equivalents comprise cash on hand and demand deposits, together with other short-term, highly liquid investments maturing within 90 days from the date of acquisition. Cash and cash equivalent are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

2.12 Provisions, contingent assets and contingent liabilities

Provisions are recognized only when there is a present obligation, as a result of past events, and measured at the estimated expenditure required to settle the present obligation, based on the most reliable evidence available at the reporting date, including the risks and uncertainties associated with the present obligations as a whole.

Any reimbursement that the entities forming part of Company is virtually certain to collect from a third party with respect to the obligation is recognised as a separate asset. However, this asset may not exceed the amount of the related provision.

No liability is recognised if an outflow of economic resources as a result of present obligations is not probable. Such situations are disclosed as contingent liabilities unless the outflow of resource is remote.

Contingent liabilities are disclosed by way of note unless the possibility of outflow is remote. Contingent assets are neither recognized nor disclosed. However, when realization of income is virtually certain, related asset is recognized.

2.13 Employee benefits

Short-term employee benefits

Liabilities for wages and salaries, including nonmonetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are classified as short-term employee benefits. These benefits include salaries and wages, short-term bonus, pension, incentives etc. These are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Post-employment benefits plans

The Company provides post-employment benefits through various defined contribution and defined benefit plans.

Defined contribution plans

The Company pays fixed contribution into independent entities in relation to several state plans and insurances for individual employees. The Company has no legal or constructive obligations to pay contributions in addition to its fixed contributions, which are recognised as an expense in the period that related employee services are received.

Defined benefit plans

Under the Company's defined benefit plans, the amount of benefit that an employee will receive on retirement is defined by reference to the employee's length of service and final salary. The legal obligation for any benefits remains with the entities forming part of company.

The liability recognised in the balance sheet for defined benefit plans is the present value of the defined benefit obligation (DBO) at the reporting date.

Management estimates the DBO annually with the assistance of independent actuaries. Actuarial gains/losses resulting from re-measurements of the liability/asset are included in other comprehensive income.

Service cost of the Company's defined benefit plan is included in employee benefits expense. Employee contributions, all of which are independent of the number of years of service, are treated as a reduction of service cost. Net interest expense on the net defined benefit liability is included in Profit and Loss. Gains and losses resulting from re-measurements of the net defined benefit liability are included in other comprehensive income.

Compensated absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year and are treated as short term employee benefit. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end. Accumulated compensated absences, which are expected to be available or encashed beyond 12 months from the end of the year are treated as other long term employee benefits. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yields on Government securities. Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in the statement of profit and loss in the period in which they arise. Past-service costs are recognised immediately in the statement of profit and loss. The Company presents the entire leave as a current liability in the balance sheet, since it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

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2.14 Inventories

Raw materials and components

Raw materials and components are valued at lower of cost and net realizable value. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost. The cost is calculated on weighted average cost method and it comprises all costs incurred in bringing the inventories to their present location and condition and includes, where applicable, appropriate overheads based on normal level of activity. Obsolete, slow moving and defective inventories are identified at the time of physical verification and wherever necessary a provision is made.

2.15 Foreign Currency

The functional currency of the Company is determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is Indian National Rupee (Rs.). The transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting year, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Exchange differences on monetary items are recognised in statement of profit and loss.

2.16 Financial instrument classified as financial liability

Financial instrument which requires the Company to deliver cash or another financial asset, or otherwise to settle it in such a way that it would be a financial liability, and where Company does not have an unconditional right to avoid such obligation, are classified as financial liability. Such classification is in substance of the contractual arrangement and as per the definitions of the financial liability. Such financial instruments are recognized as financial liability at the full amount, without taking into account the timing of the contingent event. This is as per the rules of contingent settlement provisions. The equity component for such financial instruments will be nil.

Initial recognition of such financial instrument as financial liability will be at fair value and subsequent changes in fair value is recognized in profit or loss (i.e. FVTPL).

2.17 Material management judgement and estimates in applying accounting policies

The preparation of standalone financial statement requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected .

In particular, the Company has identified the following areas where material judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the standalone financial statements. Changes in estimates are accounted for prospectively.

Judgements

Judgements In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the standalone financial statement.

(a) Revenue recognition

For performance obligation satisfied over time, the revenue recognition is done by measuring the progress towards complete satisfaction of performance obligation. The progress is measured in terms of a proportion of actual cost incurred to-date, to the total estimated cost attributable to the performance obligation

(b) Income tax and deferred tax assets

Significant management judgment is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and the level of future taxable profits together with future tax planning strategies and future recoverability of deferred tax assets. The amount of the deferred income tax assets considered realisable could reduce if the estimates of the future taxable income are reduced. In assessing the recoverability of deferred tax assets, the Company relies on the same forecast assumptions used elsewhere in the financial statements. A deferred tax asset is recognised to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilised. Accordingly, the Company exercises its judgement to reassess the carrying amount of deferred tax assets at the end of each reporting period.

Estimate and assumptions

(a) Fair value measurement

In estimating the fair value of financial assets and financial liabilities, the Company uses market observable data to the extent available. Where such Level 1 inputs are not available, the Company establishes appropriate valuation techniques and inputs to the model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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(b) Employee benefits

The cost of the employee benefit and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. an actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, employee benefit is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

(c) Provisions and liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change.

(d) Classification of leases

The Company enters into leasing arrangements for various land. The assessment (including measurement) of the lease is based on several factors, including, but not limited to, transfer of ownership of leased asset at end of lease term, lessee's option to extend/terminate etc. After the commencement date, the Company reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to extend or to terminate.

2.18 Earnings per share and diluted earning per share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

2.19 Investment in subsidiaries

The Company has elected to recognize its investments in subsidiaries at cost in accordance with the option available in Ind AS 27, 'Separate standalone financial statements', less accumulated impairment loss, if any. Cost represents amount paid for acquisition of the said investments.

The Company has elected to continue with the carrying value for all of its investments in subsidiaries as recognised in the standalone financial statements. On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to profit or loss.

2.20 Financial guarantee

Financial guarantee contracts issued by the Company are those contracts that require a payment to be made to reimburse the holder for a loss it incurs because the specified party fails to make a payment when due in accordance with the terms of a term loan/debt instrument. Financial guarantee contracts are recognised initially as a liability at fair value through profit or loss, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

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2.21 Amendment to Accounting Standards (Ind AS) issued but not yet effective

(A) Amendment to Accounting Standards (Ind AS) issued but not yet effective

The Ministry of Corporate Affairs notifies new standard or amendments to the existing standards. There is amendment to Ind AS 21 "Effects of Changes in Foreign Exchange Rates" such amendments would have been applicable from 01 April 2025.

The Effects of Changes in Foreign Exchange Rates specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when exchangeability is lacking. The amendments also require disclosure of information that enables users of its standalone financial statements to understand how the currency not being exchangeable into the other currency affects, or is expected to affect, the entity's financial performance, financial position and cash flows.

The amendments are effective for the period on or after 01 April 2025. When applying the amendments, an entity cannot restate comparative information.

The Company has reviewed the new pronouncement and based on its evaluation has determined that these amendments do not have a significant impact on the Company financial statements.

(B) Standards issued/amended and became effective

The Ministry of Corporate Affairs notified new standards or amendment to existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. The Company has applied following amendments for the first-time during the current year which are effective from 1 April 2024.

Amendments to Ind AS 116 - Lease liability in a sale and leaseback

The amendments require an entity to recognise lease liability including variable lease payments which are not linked to index or a rate in a way it does not result into gain on Right of Use asset it retains.

Introduction of Ind AS 117

MCA notified Ind AS 117, a comprehensive standard that prescribe, recognition, measurement and disclosure requirements, to avoid diversities in practice for accounting insurance contracts and it applies to all companies i.e., to all 'insurance contracts' regardless of the issuer. However, Ind AS 117 is not applicable to the entities which are insurance companies registered with IRDAI.

The amendment will not have a material impact on the Company's financial statements.

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3 Property, plant and equipment and right-of-use assets

Details of Company's property, plant and equipment and right-of-use assets and their carrying amounts are as follows:

Particulars	Leasehold improvements	Furniture and fittings	Office equipments	Computer equipments	Total	Right-of-use assets (ROU)
Gross carrying value						
Balance as at 01 April 2023	-	-	-	-	-	-
Addition during the year	-	5.07	8.96	19.48	33.51	224.32
Disposal during the year	-	-	-	-	-	-
Balance as at 31 March 2024	-	**5.07**	**8.96**	**19.48**	**33.51**	**224.32**
Addition during the year	103.48	59.91	16.05	29.41	208.85	112.78
Disposal during the year	-	-	-	-	-	-
Balance as at 31 March 2025	**103.48**	**64.98**	**25.01**	**48.89**	**242.36**	**337.10**
Accumulated depreciation						
Balance as at 01 April 2023	-	-	-	-	-	-
Addition during the year	-	0.84	0.25	6.70	7.79	37.38
Disposal during the year	-	-	-	-	-	-
Balance as at 31 March 2024	-	**0.84**	**0.25**	**6.70**	**7.79**	**37.38**
Addition during the year	28.58	5.78	2.56	9.91	46.83	112.18
Disposal during the year	-	-	-	-	-	-
Balance as at 31 March 2025	**28.58**	**6.62**	**2.81**	**16.61**	**54.62**	**149.56**
Net carrying value						
Balance as at 31 March 2025	**74.90**	**58.36**	**22.20**	**32.28**	**187.74**	**187.54**
Balance as at 31 March 2024	-	**4.23**	**8.71**	**12.78**	**25.72**	**186.94**

4 Intangible assets

Details of Company's intangible assets and their carrying amounts are as follows:

Particulars	Software	Total
Gross carrying value		
Balance as at 01 April 2023	-	-
Addition during the year	-	-
Disposal during the year	-	-
Balance as at 31 March 2024	-	-
Addition during the year	12.68	12.68
Disposal during the year	-	-
Balance as at 31 March 2025	**12.68**	**12.68**
Accumulated amortisation		
Balance as at 01 April 2023	-	-
Addition during the year	-	-
Disposal during the year	-	-
Balance as at 31 March 2024	-	-
Addition during the year	0.64	0.64
Disposal during the year	-	-
Balance as at 31 March 2025	**0.64**	**0.64**
Net carrying value		
Balance as at 31 March 2025	**12.04**	**12.04**
Balance as at 31 March 2024	-	-

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Particulars		As at 31 March 2025	As at 31 March 2024
5 Non current investments			
Investment in subsidiaries (unquoted)			
Investment in equity instruments (fully paid up) (at cost)			
SAEL Limited (refer note 52) *221,543,484 (31 March 2024: 221,543,484) shares of face value of Rs. 10 each*		2,658.22	2,658.22
SAEL Solar P5 Private Limited *9,060,000 (31 March 2024: 9,060,000) shares of face value of Rs.10 each*		1,810.10	1,810.10
SAEL Solar P4 Private Limited* *84,910,000 (31 March 2024: 10,000) shares of face value of Rs.10 each*		1,783.00	0.10
SAEL Solar MHP2 Private Limited* *37,462,500 (31 March 2024: 10,000) shares of face value of Rs.10 each*		1,123.68	0.10
SAEL Solar P9 Private Limited* *28,476,670 (31 March 2024: 10,000) shares of face value of Rs.10 each*		768.70	0.10
SAEL Solar P10 Private Limited* *28,476,670 (31 March 2024: 10,000) shares of face value of Rs.10 each*		768.70	0.10
SAEL Solar MHP1 Private Limited* *18,766,000 (31 March 2024: 10,000) shares of face value of Rs.10 each*		469.00	0.10
SAEL Solar P6 Private Limited *410,000 (31 March 2024: 410,000) shares of face value of Rs.10 each*		160.10	160.10
SAEL Solar P7 Private Limited *10,000 (31 March 2024: 10,000) shares of face value of Rs.10 each*		0.10	0.10
SAEL Solar P8 Private Limited *10,000 (31 March 2024: 10,000) shares of face value of Rs.10 each*		0.10	0.10
SAEL Solar P11 Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
SAEL Solar P12 Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
SAEL Solar P14 Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
SAEL Solar P15 Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
SAEL Solar P SIXTEEN Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
SAEL Solar P SEVENTEEN Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
SAEL Solar P EIGHTEEN Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
SAEL Solar P NINETEEN Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
SAEL Solar P TWENTY Private Limited *10,000 (31 March 2024: nil) shares of face value of Rs.10 each*		0.10	-
	(A)	9,542.60	4,629.12
Investment in compulsory convertible preference shares (CCPS) (at amortised cost)			
SAEL Limited (refer note 50) *16,066,550 (31 March 2024: 16,066,550) preference shares of face value of Rs.10 each#*		466.60	466.60
	(B)	466.60	466.60

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Particulars		As at 31 March 2025	As at 31 March 2024
Value of deemed investment accounted in terms of fair valuation under Ind AS 109 (net of tax) (at amortised cost) (refer note 14) ##			
SAEL Limited		3,390.62	1,818.75
SAEL Solar P5 Private Limited		1,535.24	1,454.16
SAEL Solar P4 Private Limited		1,516.76	182.71
SAEL Solar P6 Private Limited		852.32	196.14
Universal Biomass Energy Private Limited		211.72	-
SAEL Solar RJP1 Private Limited		70.39	69.04
SAEL Solar MFG Private Limited		66.66	63.14
SAEL Solar MHP1 Private Limited		39.15	37.08
SAEL Solar MHP2 Private Limited		36.03	34.12
SAEL Solar P7 Private Limited		28.63	-
SAEL Solar P8 Private Limited		25.08	-
	(C)	**7,772.60**	**3,855.14**
Value of deemed investment (related to corporate guarantee given) accounted in terms of fair valuation under Ind AS 109**			
SAEL Solar MHP2 Private Limited		485.05	-
SAEL Solar P5 Private Limited		215.28	-
SAEL Solar P4 Private Limited		199.93	-
SAEL Solar P6 Private Limited		45.27	-
SAEL RE Power Private Limited		23.44	-
Chattargarh Renewable Energy Pvt. Ltd		18.87	-
KTA Powers Private Limited		19.48	-
TNA Renewable Energy Private Limited		19.48	-
VCA Power Private Limited		19.48	-
Sardarshahar Agri Energy Private Limited		19.45	-
Sunfree North East Renewable Energy Pvt. Ltd		6.63	-
	(D)	**1,072.36**	**-**
Total investments	**Total (A+B+C+D)**	**18,854.16**	**8,950.86**
Aggregate amount of unquoted investments		18,854.16	8,950.86
Aggregate amount and market value of quoted investments		-	-
Aggregate amount of impairment in the value of investments		-	-

Notes:

* During the year company has acquired additional shares of the following entities:

Entity	Face Value	Fair Value	Number of shares As at 31 March 2025	Number of shares As at 31 March 2024
SAEL Solar P4 Private Limited	10	21	8,49,00,000	10,000
SAEL Solar MHP 2 Private Limited	10	30	3,74,52,500	10,000
SAEL Solar P9 Private Limited	10	27	2,84,66,670	10,000
SAEL Solar P10 Private Limited	10	27	2,84,66,670	10,000
SAEL Solar MHP 1 Private Limited	10	25	1,87,56,000	10,000

 # Terms and conditions of conversion of Compulsorily convertible Preference Shares (CCPS)

The Company has investment in 20 years 0.1% Compulsory Convertible Preference Shares of SAEL Limited having a par value of Rs. 10 per share. Each CCPS will compulsorily be converted in one equity share of the SAEL Limited. Investment in instruments have been classified as carried at amortised cost as per Ind AS 109, since no ancillary transaction cost has been incurred on issue of such compound financial instruments. Accordingly, amortised cost is equal to the cost of such instruments.

These are interest-free loans and have been accounted at fair value as per Ind AS 109 " Financial Instruments". Pursuant to this accounting, the difference between gross proceeds and fair value has been shown as an "Investment in equity instrument (at amortised cost)".

**During the year, the Company has extended financial guarantees to lenders in respect of borrowings availed by its subsidiaries. These guarantees have been accounted for in accordance with the principles of Ind AS 109 – Financial Instruments. Refer note 37 for related party disclosure.

6 Other financial assets (non current)

(unsecured, considered good unless otherwise stated)		
Bank deposits with remaining maturity more than 12 months*	274.36	85.19
Security deposits	63.85	49.42
	338.21	**134.61**

*Bank deposits of Rs. 274.36 million (31 March 2024: 85.19 million) is pledged with authorities.

7 Deferred tax assets/(liabilities) (net)

Deferred tax assets are attributable to the following:		
Fair value of Investment	2,053.03	1,420.92
Lease liabilities	61.34	64.27
Provision for employee benefit expenses	12.81	10.30
Property, plant and equipment	4.74	0.35
Brought forward losses	-	53.75
Deferred tax liabilities are attributable to the following:		
Right-to-use asset	(47.20)	(54.43)
Deferred tax assets (net)	**2,084.72**	**1,495.16**

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SAEL Industries Limited

SAEL Industries Limited
CIN- U40106PB2022PLC055755
Notes to standalone financial Statements for the year ended 31 March 2025
(All amounts in Rs. millions, unless otherwise stated)

31 March 2025

Particulars	As at 31 March 2024	Recognised on account of investment	(Expenses)/ benefit recognised in statement of profit and loss	Recognised in other comprehensive income/ other equity	As at 31 March 2025
Assets					
Fair value of Investment	1,420.92	1,031.18	(399.07)	-	2,053.03
Lease liabilities	64.27	-	(2.93)	-	61.34
Provision for employee benefit expenses	10.30	-	3.68	(1.17)	12.81
Property, plant and equipment	0.35	-	4.40	-	4.74
Brought forward losses	53.75	-	(53.75)	-	-
Liabilities					
Right-to-use asset	(54.43)	-	7.23	-	(47.20)
Total	**1,495.16**	**1,031.18**	**(440.44)**	**(1.17)**	**2,084.72**

31 March 2024

Particulars	As at 01 April 2023	Recognised on account of investment	(Expenses)/ benefit recognised in statement of profit and loss	Recognised in other comprehensive income/ other equity	As at 31 March 2024
Assets					
Fair value of Investment	-	1,583.83	(162.91)	-	1,420.92
Lease liabilities	-	-	64.27	-	64.27
Brought forward losses	60.96	-	(7.21)	-	53.75
Provision for employee benefit expenses	-	-	14.08	(3.78)	10.30
Property, plant and equipment	-	-	0.35	-	0.35
Liabilities					
Right-to-use asset	-	-	(54.43)	-	(54.43)
Total	**60.96**	**1,583.83**	**(145.85)**	**(3.78)**	**1,495.16**

Effective tax reconciliation

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit/(loss) before tax	4,329.61	(510.58)
Applicable tax rate	25.17%	25.17%
Expected tax expense [A]	**1,089.76**	**(128.51)**
Expenses not considered in determining taxable profit	343.07	297.25
Others	(12.11)	(22.88)
Total adjustments [B]	**330.96**	**274.37**
Actual tax expense [C=A+B]	**1,420.72**	**145.85**
Total tax incidence	1,420.72	145.85
Tax expense recognized in statement of profit and loss [D]	**1,420.72**	**145.85**

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SAEL Industries Limited

Particulars	As at 31 March 2025	As at 31 March 2024
8 Non-current tax assets (net)		
Income tax receivables (net of provision: nil (31 March 2024: nil)	-	143.67
	-	**143.67**
9 Inventories		
(valued at lower of cost or net realisable value)		
Raw materials and components		
- goods-in-transit	-	278.54
	-	**278.54**
10 Current investments		
Investment in mutual fund (quoted) (at FVTPL)	538.69	-
	538.69	-

Mutual Funds	As at 31 March 2025		As at 31 March 2024	
	No of Units	Amount	No of Units	Amount
HDFC Short Term Debt- Growth	1,71,79,955	537.92	-	-
BNP Paribhas Overnight Fund	574	0.77	-	-
Total	**1,71,80,529**	**538.69**	-	-

Aggregate amount of quoted investments	538.69	-
Aggregate amount and market value of quoted investments	538.69	-
Aggregate amount of impairment in the value of investments	-	-
11 Trade receivables		
(unsecured, considered good unless otherwise stated)		
Considered good, unsecured	5,590.25	435.75
Credit impaired	-	-
	5,590.25	435.75
Less:- allowance for expected credit loss	-	-
Net trade receivables	**5,590.25**	**435.75**

Notes
(i) Refer note 43 for details of assets pledged as security by the Company for securing financing facilities from lenders.
(ii) Refer note 35 for exposure of credit risk and loss allowance related to trade receivable.
(iii)The net carrying value of trade receivables is considered a reasonable approximation of fair value.
(iv)The credit period given to the customer ranges from 60 to 90 days.

Trade receivable ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from the due date of payment							
	Unbilled dues*	Not due	Less than 6 months	6 months to 1 years	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivable								
Considered good	-	4,143.81	1,213.40	-	233.04	-	-	**5,590.25**
Credit impaired	-	-	-	-	-	-	-	-
	-	**4,143.81**	**1,213.40**	-	**233.04**	-	-	**5,590.25**
Less:- allowance for expected credit loss	-	-	-	-	-	-	-	-
Net trade receivable	-	**4,143.81**	**1,213.40**	-	**233.04**	-	-	**5,590.25**

Trade receivable ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from the due date of payment							
	Unbilled dues*	Not due	Less than 6 months	6 months to 1 years	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed trade receivable								
Considered good	-	-	435.75	-	-	-	-	435.75
Credit impaired	-	-	-	-	-	-	-	-
	-	-	435.75	-	-	-	-	435.75
Less:- allowance for expected credit loss	-	-	-	-	-	-	-	-
Net trade receivable	-	-	**435.75**	-	-	-	-	**435.75**

Notes:
(i) There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies respectively in which any director is a partner or a director or a member.
(ii) There are no disputed trade receivables, hence the same is not disclosed in the ageing schedule.
* Unbilled dues pertains to receivable against which billing is yet to issued however the performance obligation is completed.

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SAEL Industries Limited

Particulars	As at 31 March 2025	As at 31 March 2024
12 Cash and cash equivalents		
Balances with banks		
- in current accounts	581.68	205.49
- in bank deposits with banks with original maturity of 3 months or less	268.44	42.00
Cash on hand	0.17	0.01
	850.29	**247.50**

(i) Refer note 43 for details of assets pledged as security by the Company for securing financing facilities from lenders.
(ii) Bank deposits of Rs. 268.44 million (31 March 2024: Nil) is pledged with authorities.

13 Bank balances other than cash and cash equivalents above		
Bank deposits with original maturity more than 3 months but less than 12 months	967.09	685.99
	967.09	**685.99**

(i) Refer note 43 for details of assets pledged as security by the Company for securing financing facilities from lenders.
(ii) Bank deposits of Rs. 967.09 million (31 March 2024: Nil) is pledged with authorities.

14 Loans		
(unsecured, considered good unless otherwise stated)		
Non-current financial asset		
Loans to related parties#	18,898.00	9,478.26
Current financial asset		
Loans to related parties*	1,401.46	-
	20,299.46	**9,478.26**

#The Company has given loan to its subsidiaries company amounting to Rs. 8,444.65 millions (31 March 2024: Rs. 14,345.58 million) which is receivable after the expiry of 5 years and Rs. 4,667.00 millions which is receivable after the expiry of 15 years
These are interest-free loans and have been accounted at fair value as per Ind AS 109 " Financial Instruments". Pursuant to this accounting, the difference between gross proceeds and fair value has been shown as an "Investment in equity instrument in other equity (at amortised cost)"(refer note 5).
*Refer note 43 for details of assets pledged as security by the Company for securing financing facilities from lenders.

Loan given to related parties are for business purpose and interest free.

Details of loans or advances in the nature of loans granted to promoter, directors, KMPs and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person, that are:
(a) repayable on demand; or
(b) without specifying any terms or period of repayment

As at 31 March 2025

Type of borrower	Amount of loan or advance in the nature of loan outstanding	Percentage to the total loans and advances in the nature of loans
Promoter	-	-
Directors	-	-
KMPs	-	-
Related parties	1,401.46	100%

15 Other financial assets (current)		
(unsecured, considered good and measured at amortised cost unless otherwise stated)		
Bank deposits with remaining maturity less than 12 months	1,680.34	230.73
Receivable from related party (refer note 37)	292.21	14.01
Other receivable	5.49	-
	1,978.04	**244.74**

*Refer note 43 for details of assets pledged as security by the Company for securing financing facilities from lenders.
(ii) Bank deposits of Rs. 1,680.34 million (31 March 2024: Nil) is pledged with authorities.

16 Other current assets		
(unsecured, considered good unless otherwise stated)		
Advance to vendors	5,138.03	1,477.80
Balances with government authorities	-	167.93
Prepaid expenses	31.86	9.89
	5,169.89	**1,655.62**

*Refer note 43 for details of assets pledged as security by the Company for securing financing facilities from lenders.

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SAEL Industries Limited

17 Equity share capital

The standalone financial statements represent a legal entity structure. The share capital of the company as below.

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
Authorised equity share capital of Rs. 10/- each (31 March 2024: Rs 10/- each)				
At the beginning of the year	6,60,00,000	660.00	6,60,00,000	660.00
Movement during the year	-	-	-	-
At the end of the year (A)	6,60,00,000	660.00	6,60,00,000	660.00
Authorised preference share capital of Rs. 10/- each (31 March 2024: Rs 10/- each)				
At the beginning of the year	3,11,40,000	311.40	1,23,80,000	123.80
Movement during the year	-	-	1,87,60,000	187.60
At the end of the year (B)	3,11,40,000	311.40	3,11,40,000	311.40
(A) + (B)	**9,71,40,000**	**971.40**	**9,71,40,000**	**971.40**
Issued and subscribed and fully paid up equity share capital of Rs 10/- each (31 March 2024: Rs 10/- each)	4,93,54,297	493.54	4,61,29,297	461.29
Issued and subscribed and fully paid up preference share capital of Rs 10/- each (31 March 2024: Rs 10/- each)	3,00,98,548	300.99	2,31,84,798	231.85
Total	**7,94,52,845**	**794.53**	**6,93,14,095**	**693.14**
Less : amount presented as financial liability (refer note 20)	3,00,98,548	300.99	2,31,84,798	231.85
Total	**4,93,54,297**	**493.54**	**4,61,29,297**	**461.29**

1. Reconciliation of equity share capital outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	4,61,29,297	461.29	4,61,29,197	461.29
Shares issued during the year*	32,25,000	32.25	100	0.00
Outstanding at the end of the year	4,93,54,297	493.54	4,61,29,297	461.29

*Pursuant to the resolution passed at board meeting held on 28 January 2025, members have approved the allotment of 3,225,000 equity shares of Rs 400/- each having face value of Rs. 10/- and premium of Rs. 390/- per share aggregating to Rs. 1,290.00 millions to the existing shareholders on preferential basis to promoter directors of the Company.

2. Reconciliation of preference share capital outstanding at the beginning and at the end of the reporting year

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	Amount	Number of shares	Amount
At the beginning of the year	2,31,84,798	231.85	81,39,900	81.40
Shares issued during the year*#	69,13,750	69.14	1,50,44,898	150.45
Outstanding at the end of the year	3,00,98,548	300.99	2,31,84,798	231.85

*Pursuant to the resolution passed at board meeting held on 08 May 2024, members have approved the allotment of 3,640,000 preference shares of Rs 400/- each having face value of Rs. 10/- and premium of Rs. 390/- per share aggregating to Rs. 1,456.00 millions to Norfund.
The members have also at board meeting held on 14 February 2025 approved the allotment of 3,273,750 preference shares of Rs 400/- each having face value of Rs. 10/- and premium of Rs. 390/- per share aggregating to Rs. 1,309.50 millions to Norfund.

#The members have also at board meeting held on 16 October 2023, 02 February 2024 and 16 February 2024 approved the allotment of 4,156,500; 3,627,312 and 7,261,086 preference shares of Rs 400/- each having face value of Rs. 10/- and premium of Rs. 390/- per share aggregating to Rs. 6,017.96 millions.

3. Number of shares held by each shareholder holding more than 5% Shares in the Company

(i) Details of equity shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% of shareholding	Number of shares	% of shareholding
Jasbir Singh	1,47,53,527	29.89%	1,28,79,458	27.92%
Sukhbir Singh	1,21,79,009	24.68%	1,07,83,816	23.38%
Palki Awla	50,48,468	10.23%	50,48,468	10.94%
Seema Awla	44,20,511	8.96%	44,20,511	9.58%
Total	**3,64,01,515**	**73.76%**	**3,31,32,253**	**71.81%**

(ii) Details of preference shares held by shareholders holding more than 5% of the aggregate shares in the Company

Particulars	As at 31 March 2025		As at 31 March 2024	
	Number of shares	% of shareholding	Number of shares	% of shareholding
The Norwegian Government Investment Fund for Developing Countries (NORFUND)	2,28,37,462	76%	1,59,23,802	69%
U.S. International Development Finance Corporation (DFC)	72,61,086	24%	72,61,086	31%
Total	**3,00,98,548**	**100%**	**2,31,84,888**	**100%**

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4. Disclosure of shareholdings of promoters as follows*^

(i) Details of equity shares held by promoters

S.No	Promoter Name	As at 31 March 2025		As at 31 March 2024		% change in shareholding during the year
		Number of shares	% of shareholding	Number of shares	% of shareholding	
1	Jasbir Singh*	1,47,53,527	29.89	1,28,79,458	27.92	1.97
2	Sukhbir Singh*	1,21,79,009	24.68	1,07,83,816	23.38	1.30
7	Laxit Awla*	14,27,082	2.89	12,63,600	2.74	0.15
3	Palki Awla	-	-	50,48,468	10.94	(10.94)
4	Seema	-	-	44,20,511	9.58	(9.58)
5	Jasbir Singh & Sons HUF	-	-	16,00,368	3.47	(3.47)
6	Sukhbir Singh HUF	-	-	14,49,270	3.14	(3.14)
8	Harsh Awla	-	-	11,93,073	2.59	(2.59)
	Total	**2,83,59,618**	**57.46**	**3,86,38,564**	**83.76**	**(26.30)**

S.No	Promoter Name	As at 31 March 2024		As at 31 March 2023		% change in shareholding during the year
		Number of shares	% of shareholding	Number of shares	% of shareholding	
1	Jasbir Singh	1,28,79,458	27.92	1,07,03,415	23.20	4.72
2	Sukhbir Singh	1,07,83,816	23.38	1,07,83,816	23.38	-
3	Palki Awla	50,48,468	10.94	50,48,468	10.94	-
4	Seema	44,20,511	9.58	44,20,511	9.58	-
5	Jasbir Singh & Sons HUF	16,00,368	3.47	16,00,368	3.47	-
6	Sukhbir Singh HUF	14,49,270	3.14	14,49,270	3.14	-
7	Laxit Awla	12,63,600	2.74	12,63,600	2.74	-
8	Harsh Awla	11,93,073	2.59	11,93,073	2.59	-
9	Jatin Awla	-	-	21,71,710	4.71	(4.71)
10	Govind Awla	-	-	4,333	0.01	(0.01)
11	Harjagat Awla	-	-	3,333	0.01	(0.01)
	Total	**3,86,38,564**	**83.76**	**3,86,41,897**	**83.77**	**-**

*Post the financial year ended 31st March 2024, the Company analysed and identified its Promoters in accordance with applicable provisions of the Companies Act, 2013 and has identified as promoters.

^The above information is furnished as per shareholder register of the Company as at the year ended 31 March 2025 and 31 March 2024.

5. The rights, preferences and restrictions attaching to each class of shares including restrictions on the distribution of dividends and the repayment of capital

The Company has only one class of equity shares having par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. If declared, the Company will pay dividends in Indian rupees.
In the event of liquidation of Company, the holders of equity shares are entitled to receive remaining assets of the Company (after distribution of all preferential amounts) in proportion to the number of equity shares held by the shareholders of the Company.

6. Details of shares issued pursuant to contract without payment being received in cash, allotted as fully paid up by way of bonus issues and brought back.
The Company has not issued any shares pursuant to a contract without payment being received in cash, allotted as fully paid up by way of bonus shares nor has there been any buy-back of shares since the inception of the Company, except -
(i) During 2023, Company has allotted 46,122,097 equity shares of Rs 10 each at a premium of Rs 140 on the acquisition of 100% controlling interest in SAEL Limited on 04 July 2022.
(ii) There has been equity shares issued by way of conversion of loan during year ended 31 March 2025 which is as follows:

Particulars	As at 31 March 2025	As at 31 March 2024
	Number of shares	Number of shares
Equity shares issued by way of conversion of loan	32,25,000	-

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SAEL Industries Limited

Particulars	As at 31 March 2025	As at 31 March 2024
18 Other equity		
Securities premium (refer note a below)		
Balances at the beginning of the year	6,457.09	6,457.09
Addition during the year (refer note 17)	1,257.75	-
Balances at the end of the year (A)	**7,714.84**	**6,457.09**
Retained earnings (refer note b below)		
Balances at the beginning of the year	(4,589.08)	(148.37)
Profit/(loss) for the year	2,908.89	(656.43)
Distribution to shareholders (refer note 50)	-	(3,793.49)
Remeasurement of post-employment benefit obligation during the year	4.01	12.99
Tax effect on remeasurement during the year	(1.17)	(3.78)
Balances at the end of the year (B)	**(1,677.35)**	**(4,589.08)**
Total other equity (A+B)	**6,037.49**	**1,868.01**

Nature and purpose of reserves

(a) Securities premium
Securities premium reserve represents premium received on issue of shares. The reserve can be utilised in accordance with the provisions of the Companies Act, 2013.

(b) Retained earnings
All the profits or losses made by the company are transferred to retained earnings from statement of profit and loss. Remeasurement of defined benefit plans represents the actuarial gains/ (losses) recognised in the other comprehensive income. Retained earning is a free reserve available to the Company and eligible for distribution to shareholders.

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SAEL Industries Limited ★

Particulars	As at 31 March 2025	As at 31 March 2024
19 Lease liabilities*		
Non current	133.61	135.28
Current	110.09	85.44
	243.70	**220.72**
* Refer Note 39 for lease related disclosures		
20 Other financial liability (non current)		
Compulsory convertible preference shares (CCPS) (refer note a below)	14,363.72	10,294.76
Financial guarantee obligation (refer note b below)	1,072.36	-
	15,436.08	**10,294.76**

Note

(a) Terms and conditions of 5% Compulsorily convertible Preference Shares (CCPS) held by Investor

The Company has issued 30,098,548 (31 March 2024: 23,184,798) of Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each fully paid-up at a premium of Rs. 390 per share. If the Board proposes to declare any dividend on any Securities, the holders of the CCPS shall be paid, out of the dividend proposed to be declared, a cumulative dividend equal to 5%, in preference and priority to the payment of dividend on equity shares in the same financial year. The CCPS holders shall carry the same voting rights as are attached to the equity shares issuable to the holders of the CCPS upon the conversion of such CCPS.

CCPS will be converted into equity shares of the Company on the earliest of the following dates :

(a) IPO Conversion Date - 10 days prior to the filing of the final and updated DRHP with SEBI

(b) TPS Date- Date on which relevant definitive documents for a Third Party Sale (TPS) are executed

(c) Mandatory Conversion Date- Date falling 20 years from the date of close of first and second tranche closing date.

The investor shall also have the following rights:

(I) Asset sale can be enforced by the CCPS holder if (i) the Company and the Sponsors are unable to consummate the IPO by the IPO Deadline i.e. on or before 31 December 2027; and (ii) the Company and the Sponsors are unable to provide an exit to the Investor pursuant to a Third Party Sale on or before 31 December 2028.

(II) Investor Controlled Sale (ICS) wherein it assumes the management control of the Company for a period of 9 (nine) months commencing from the Asset Sale Deadline i.e. on or before 31 July 2029 until 30 April 2030, through a written notice to the Company and the Sponsors.

(III) Investor has the right to require the Sponsors and Company to buyback the Investor Equity Securities or Investor Converted Securities held by the Investor in consideration for Investor Specified Amount.

(IV) In case of liquidity event, the CCPS holder shall be entitled to receive Liquidation Preference Investor Specified Amount subject to preference to be given to creditors under Applicable Law.

These compulsory convertible preference shares have the exit options as mentioned above. Hence, these shares are also classified as financial liability.

During the current and previous year, Company has alloted the following CCPS:

Date of allotment	Number of shares
17 February 2023	81,39,900
16 October 2023	41,56,500
02 February 2024	36,27,312
16 February 2024	72,61,086
08 May 2024	36,40,000
14 February 2025	32,73,750
Total	**3,00,98,548**

During the previous year ended 31 March 2024 , the Company had issued 100 equity shares in each year to Norfund and DFC. These shares are also classified as a financial liability and disclosed above.

Increase in the financial liability on subsequent re-measurement at fair value at the balance sheet date amounting to Rs. 1303.46 million (31 March 2024: Rs 957.96 million) is disclosed in the statement of profit and loss.

Refer note 17 for movement of preference share held by shareholders holding more than 5% of the aggregate share in the Company.

(b) During the year, the Company has extended financial guarantees to lenders in respect of borrowings availed by its subsidiaries. These guarantees have been accounted for in accordance with the principles of Ind AS 109 – Financial Instruments. Refer note 37 for related party disclosure.

21 Provisions (non current)		
Provision for employee benefits		
Provision for gratuity (refer note 38)	29.42	19.23
	29.42	**19.23**
22 Borrowings		
(measured at amortised cost)		
Secured		
Cash credit facility from banks*	15.16	19.95
Unsecured		
Loan from related parties#	151.20	2,998.62
	166.35	**3,018.57**

* Refer note 36 for terms and nature of borrowings.

Includes borrowings of Rs. Nil (31 March 2024: Rs. 366.36 millions) that are chargeable to interest @ 10.00% p.a. and are repayable on demand and remaining are interest free and are repayable on demand.

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Particulars	As at 31 March 2025	As at 31 March 2024
23 Trade payables		
Total outstanding dues of micro enterprises and small enterprises (refer note below)	1,170.70	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	8,388.05	1,717.06
	9,558.75	**1,717.06**

Note:

a	**Disclosure under the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act, 2006'):**		
i)	The principal amount remaining unpaid to any supplier as at the end of each accounting year	1,170.70	-
ii)	Interest due thereon	-	-
iii)	The amount of interest paid by the buyer in terms of section 16, along with the amounts of the payments made to the supplier beyond the appointed day during accounting year	-	-
iv)	The amount of interest due and payable for the period of delay in making payments (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
v)	The amount if interest accrued and remaining unpaid at the end of each accounting year, and	-	-
vi)	The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006	-	-

The above information regarding dues to Micro, Small and Medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act (MSMED), 2006 has been determined to the extend identified and information available with the Company pursuant to Section 22 of the Micro, Small and Medium enterprises Development Act (MSMED), 2006.
(i) All amounts are short-term. The carrying values of trade payables are considered to be a reasonable approximation of fair value.
(ii) Trade payables are non-interest bearing and are normally settled on 0-90 days terms.
(iii) Refer note 37 for related party disclosure.

Trade payable ageing schedule as at 31 March 2025

Particulars	Outstanding for following periods from the invoice date					
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSME*	22.86	1,147.84	-	-	-	1,170.70
Undisputed dues - Others	115.20	8,124.53	148.33	-	-	8,388.06
Total trade payables	**138.06**	**9,272.37**	**148.33**	-	-	**9,558.76**

Trade payable ageing schedule as at 31 March 2024

Particulars	Outstanding for following periods from the invoice date					
	Not due	Less than 1 year	1 to 2 years	2 to 3 years	More than 3 years	Total
Undisputed dues - MSME*	-	-	-	-	-	-
Undisputed dues - Others	-	1,717.06	-	-	-	1,717.06
Total trade payables	-	**1,717.06**	-	-	-	**1,717.06**

Note: There are no disputed trade payables, hence the same is not disclosed in the ageing schedule.
*MSME as per the Micro, Small and Medium Enterprises Development Act, 2006.

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Particulars	As at 31 March 2025	As at 31 March 2024
24 Other financial liabilities		
(measured at amortised cost)		
Employee related liabilities	13.10	4.24
Capital creditors	7.88	-
Other payable*	15.95	6.91
	36.93	**11.15**
*Refer note 37 for related party disclosure.		
25 Other current liabilities		
Advance from customers*	23,818.15	6,328.78
Payable to statutory authorities	937.11	7.64
	24,755.26	6,336.42
*Refer note 37 for related party disclosure.		
26 Provisions (current)		
Provision for employee benefits		
Provision for gratuity (refer note 38)	1.34	0.61
Provision for compensated absences (refer note 38)	20.13	15.52
	21.47	**16.13**
27 Current tax liabilities (net)		
Provision for tax (net of TDS deducted)	279.13	-
	279.13	**-**

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Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
28 Revenue from operations		
Sale of products and services*		
Revenue from engineering, procurement and construction (EPC)	46,128.13	6,891.87
Other operating revenues		
Revenue from supply of product*	625.38	-
Revenue from services	5.40	-
	46,758.91	**6,891.87**
*Refer note 37 for related party disclosure.		
29 Other income		
Interest income at amortised cost		
- on bank deposits	230.04	94.02
- on related party loans (refer note 37)	1,607.00	559.45
- income tax refund	5.33	-
Gain on sale of mutual funds	18.71	32.17
Unwinding of other financial assets (security deposit)	5.44	2.13
Gain on foreign exchange fluctuation (net)	3.10	-
Modification gain on financial asset	66.44	-
Fair value gain on mutual fund	8.09	-
Miscellaneous income	20.48	1.01
	1,964.63	**688.78**

Disclosure pursuant to Ind AS 115 "Revenue from Contracts with Customers

a) Disaggregation of revenue

Set out below is the disaggregation of the Company revenue from contracts with customers:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Revenue from contracts with customers		
Sale of products and services		
Revenue from engineering, procurement and construction	46,128.13	6,891.87
Total revenue	**46,128.13**	**6,891.87**

b) Timing of revenue recognition

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
At a point in time	-	-
At point over time	46,128.13	6,891.87
Total revenue	**46,128.13**	**6,891.87**

c) Contract balances

The following table provides information about receivables, contract assets and contract liabilities from contract with customers:

Particulars	As at 31 March 2025	As at 31 March 2024
Receivables		
Trade receivables (gross)*	5,590.25	435.75
Less:- allowance for expected credit loss	-	-
Net trade receivables	**5,590.25**	**435.75**
Contract assets		
Unbilled revenue other than passage of time	-	-
Contract liability		
Advance from customer#	23,818.15	6,328.78

* Refer note 11 for information related to trade receiavbles and note 25 for information related to advances from customers.

Contract asset is the right to consideration in exchange for goods or services transferred to the customer. Contract liability is the entity's obligation to transfer goods or services to a customer for which the entity has received consideration from the customer in advance. Contract assets are transferred to receivables when the rights become unconditional and contract liabilities are recognized as and when the performance obligation is satisfied.

As at 31 March 2025 Rs. 23,818.15 millions (31 March 2024: 6,328.78 millions) of advance consideration received from customers for which revenue is expected to recognised in next 12 months.

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Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
d) Reconciling the amount of revenue recognised in the statement of profit and loss with the contracted price		
Revenue as per contract entered with customer	46,128.13	6,891.87
Adjustments:		
Rebate and discounts	-	-
Revenue from contract with customers	**46,128.13**	**6,891.87**

Transaction price - remaining performance obligation

The remaining performance obligation disclosure provides the aggregate amount of the transaction price yet to be recognized as at the end of the reporting period and an explanation as to when the Company expects to recognize these amounts in revenue. Applying the practical expedient as given in Ind AS 115, the Company has not disclosed the remaining performance obligation related disclosures for contracts as the revenue recognised corresponds directly with the value to the customer of the Company's performance completed till the reporting period.

e) Contract balances

Movement in the contract balances during the year are as follows:

Particular	Contract assets	Contract liabilities	Net contract balances
Opening balance as at 01 April 2023	-	-	-
Net increase/(decrease)	-	6,328.78	6,328.78
Closing balance as at 31 March 2024	-	**6,328.78**	**6,328.78**
Net increase/(decrease)	-	17,489.37	17,489.37
Closing balance as at 31 March 2025	-	**23,818.15**	**23,818.15**

Notes:

i) There is no contract assets as at 31 March 2025 and 31 Macrh 2024
ii) Revenue recognised during the year from opening balance of contract liability amounts to Rs. 6,328.78 millions (31 March 2024: Nil)
iii) Revenue recognised during the year from the performance obligation satisfied upto previous year amounts to Nil (31 March 2024: Nil)

f) Cost to obtain the contract:

i. Amortisation in Standalone Statement of Profit and Loss: Nil (31 March 2024: Nil)
ii. Recognised as contract assets at 31 March 2025: Nil (31 March 2024: Nil)

g) Reconciliation of contracted price with revenue during the year:

Particulars	As at 31 March 2025	As at 31 March 2024
Opening contracted price of orders as at start of the year	7,997.96	-
Add: Fresh orders/change orders received (net)	1,07,689.37	10,534.46
Less: orders completed during the year	(6,996.06)	(2,536.50)
Closing contracted price of orders as at the end of the year	**1,08,691.27**	**7,997.96**
Total Revenue recognised during the year :	**46,128.13**	**6,891.87**
a. revenue out of orders completed during the year	6,996.06	2,536.50
b. revenue out of orders under execution at the end of the year (A)	39,132.07	4,355.37
Balance revenue to be recognised in future viz. order book (B)	69,559.20	3,642.59
Closing contracted price of orders as at the end of the year (A+B)	**1,08,691.26**	**7,997.96**

h) There is no significant estimate involved in the recognition of revenue from contract.

i) Outstanding performance and Time for its expected conversion into Revenue

Outstanding performance	Total	Time for expected conversion to Revenue					
		Upto 1 Year	1 to 2 years	2 to 3 years	3 to 4 years	4 to 5 years	Beyond 5 years
As at March 2025	69,559.20	35,762.35	33,796.84	-	-	-	-
As at March 2024	3,642.59	3,642.59	-	-	-	-	-

30 Cost of materials consumed and erection services

Cost of material and components consumed	41,955.25	6,175.79
	41,955.25	**6,175.79**

31 Employee benefits expense

Salaries and wages	319.94	473.62
Contribution to provident and other funds (refer note 38)	11.19	7.96
Staff welfare expenses	13.69	9.92
	344.82	**491.50**

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Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
32 Finance costs		
Interest expense		
- borrowings	29.59	2.29
- lease liabilities	27.64	10.24
- relate party loans	25.26	69.48
- on delayed payment of taxes	73.09	-
Other borrowing cost	0.71	-
	156.29	82.01
33 Depreciation and amortisation expenses		
Depreciation on property, plant and equipment (refer note 3)	46.82	7.79
Depreciation of right-of-use assets (refer note 3)	112.18	37.39
Amortisation of intangible assets (refer note 4)	0.64	-
	159.64	45.18
34 Other expenses		
Legal and professional fees	78.22	216.00
Travelling and conveyance	27.87	27.02
Rates and taxes	15.13	12.77
Repairs and maintenance		
Buildings	19.41	22.51
Others	23.49	-
Security services	0.98	2.03
Power & fuel	5.08	1.42
Rent and hire charges	39.31	0.74
Insurance	-	1.13
Payment to auditors (refer note a below)	21.63	8.36
Bank charges	11.75	6.14
Miscellaneous expenses	40.10	40.67
	282.97	338.79
Note:-		
a) payment to auditors as		
- auditors	8.00	7.50
- certification and other services	12.35	0.50
- out of pocket expense	1.28	0.36
	21.63	8.36

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35 Financial instruments

(i) Financial Instruments – by category and fair values hierarchy

The following explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

Level 1: quoted prices (unadjusted) in active markets for financial instruments.
Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
Level 3: unobservable inputs for the asset or liability.

Valuation techniques used to determine fair value

The fair value of the financial assets and liabilities are included at the amount that would be received to sell an asset and paid to transfer a liability in an orderly transaction between market participants. The following methods were used to estimate the fair values :

- Trade receivables, Investment, cash and cash equivalents, bank balances others than cash and cash equivalents, loans, other financial assets, borrowing, trade payables and other financial liabilities: Approximate their carrying amounts largely due to the current maturities of these instruments.
- Borrowings taken by the Company are as per the Company's credit and liquidity risk assessment and there is no comparable instrument having the similar terms and conditions with related security being pledged and hence the carrying value of the borrowings represents the best estimate of fair value.

(ii) Financial instruments by category

Particulars	Level of hierarchy	As at 31 March 2025		As at 31 March 2024	
		FVTPL*	Amortised cost	FVTPL*	Amortised cost
Financial assets					
Non current					
Loans	-	-	18,898.00	-	9,478.26
Other financial assets	-	-	338.21	-	134.61
Current					
Investments in mutual fund	1	538.69	-	-	-
Trade receivable	-	-	5,590.25	-	435.75
Cash and cash equivalents	-	-	850.29	-	247.50
Bank balances other than cash and cash equivalents above	-	-	967.09	-	685.99
Loans	-	-	1,401.46	-	-
Other financial assets	-	-	1,978.04	-	244.74
Total financial assets		**538.69**	**31,095.70**	-	**11,226.85**
Financial liabilities					
Non current					
Lease liabilities	-	-	133.61	-	135.28
Other financial liabilities	3	14,363.72	1,072.36	10,294.76	-
Current					
Borrowings	-	-	166.35	-	3,018.57
Lease liabilities	-	-	110.09	-	85.44
Trade payables	-	-	9,558.75	-	1,717.06
Other financial liabilities	-	-	36.93	-	11.15
Total financial liabilities		**14,363.72**	**11,078.10**	**10,294.76**	**4,967.50**

*(i) Fair value through Profit and Loss

(iii) Fair value measurement hierarchy for investments :

Particulars	As at 31 March 2025	As at 31 March 2024	Valuation methodology/ technique
Investments in quoted mutual funds (Level 1)	538.69	-	These quoted mutual funds are valued at fair value on the basis of the Net Asset Value (NAV) of the fund on the reporting date.
Liability arising out of compulsory convertible preference shares (Level 3)	14,363.72	10,294.76	For liability arising on account of compulsory convertible preference shares, Monte Carlo Simulation ("MCS") to estimate the average payoff to the CCPS holder across different possible exit events and for concluding the fair value of the CCPS as of the Valuation Date. Following assumptions - 1. Discount rate 2. Risk free rate 3. Volatility

(iv) Level 3 recurring fair values

Reconciliation of Level 3 fair values

The following table shows a reconciliation from the opening balances to the closing balances for Level 3 fair values.

Particulars	Amount
Balance as at 01 April 2023	**3,318.80**
Add: Issue of compulsory convertible preference shares	6,018.00
Add: Loss included in Statement of Profit and Loss	
- Net change in fair value (unrealised)	957.96
Balance as at 31 March 2024	**10,294.76**
Add: Issue of compulsory convertible preference shares	2,765.50
Add: Addition on account of corporate guarantee	1,072.36
Add: Loss included in Statement of Profit and Loss	
- Net change in fair value (unrealised)	1,303.46
Balance as at 31 March 2025	**15,436.08**

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Sensitivity analysis of fair value instruments:-

Liability component of equity shares held by investors

The management has used Monte Carlo Simulation ("MCS method) for determining the fair value of Financial instrument classified as Financial liability.

Management has identified that a reasonably possible change in the key assumption could cause a change in fair value of the instrument. The following table shows the amount by which the fair value would change on change in the assumption. All other factors remaining constant.

Particulars	As at 31 March 2025	As at 31 March 2024
Impact on liability arising on account of put options fair value if change in discount rate (net of tax)		
- Impact due to increase of 0.5%	53.74	38.52
- Impact due to decrease of 0.5%	(53.74)	(38.52)
Impact on liability arising on account of risf free rate (net of tax)		
- Impact due to increase of 0.5%	(124.81)	(89.46)
- Impact due to decrease of 0.5%	126.59	90.73
Impact on liability arising on account of volatility (net of tax)		
- Impact due to increase of 10%	588.35	421.68
- Impact due to decrease of 10%	(601.48)	(431.09)

(v) Risk management

The Company activities expose it to credit risk, liquidity risk and market risk. The Company board of directors has overall responsibility for the establishment and oversight of the Company risk management framework. This note explains the sources of risk which the Company is exposed to and how the Company manages the risk and the related impact in the financial statements.

Risk management framework

The Company's board of directors has overall responsibility for the establishment and oversight of the Group's risk management framework. The board of directors have authorized the Managing Director to establish the processes, who ensures that executive management controls risks through the mechanism of properly defined framework.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, and to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities. The Company, through its training and management standards and procedures, aims to maintain a disciplined and constructive control environment in which all employees understand their roles and obligations.

Risk	Exposure arising from	Measurement	Management diversification
Credit risk	Trade receivables, cash and cash equivalents, bank balances other than cash and cash equivalents, loans and other financial assets	Ageing analysis	Diversification of bank deposits and credit limits and regular monitoring and follow ups
Liquidity risk	Borrowings, trade payables and other financial liabilities	Cash flow forecasts	Availability of committed credit lines and borrowing facilities.
Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Diversification of borrowings.

(A) Credit risk

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company exposure to credit risk is influenced mainly by cash and cash equivalents, bank balances other than cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

Credit risk is the risk that a counterparty fails to discharge its obligation to the Company. The Company exposure to credit risk is influenced mainly by cash and cash equivalents, trade receivables and financial assets measured at amortised cost. The Company continuously monitors defaults of customers and other counterparties and incorporates this information into its credit risk controls.

a) Credit risk management

i) Credit risk rating

The Company assesses and manages credit risk of financial assets based on following categories arrived on the basis of assumptions, inputs and factors specific to the class of financial assets.

A: Low credit risk on financial reporting date
B: Moderate credit risk
C: High credit risk

The Company provides for expected credit loss based on the following:

Trade receivables

The Company closely monitors the credit-worthiness of the receivables through internal systems that are configured to define credit limits of customers, thereby, limiting the credit risk to pre-calculated amounts. The Company uses a simplified approach (lifetime expected credit loss model) for the purpose of computation of expected credit loss for trade receivables.

Cash and cash equivalents and bank balances other than cash and cash equivalents

Credit risk related to cash and cash equivalents and bank deposits is managed by only investing in deposits with highly rated banks and diversifying bank deposits and accounts in different banks. Credit risk is considered low because the Company deals with highly rated banks.

Other financial assets

Other financial assets measured at amortized cost includes security deposits, bank deposits, accrued interest on bank deposits and other receivables. Credit risk related to these financial assets is managed by monitoring the recoverability of such amounts continuously, while at the same time internal control system are in place to ensure the amounts are within defined limits. Credit risk is considered low because the Company is in possession of the underlying asset (in case of security deposit). Further, the Company creates provision by assessing individual financial asset for expectation of any credit loss basis 12 month expected credit loss model.

Based on business environment in which the Company operates, there have been no defaults on financial assets of the Company by the counterparties. Loss rates reflecting defaults are based on actual credit loss experience and considering differences between current and historical economic conditions.

Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or a litigation decided against the Company. The Company continues to engage with parties whose balances are written off and attempts to enforce repayment. There have been no cases of write off with the Company.

Credit rating	Particulars	As at 31 March 2025	As at 31 March 2024
A: Low credit risk	Cash and cash equivalents, bank balances other than cash and cash equivalents, loans, trade receivable, investments and other financial assets*	31,634.38	11,226.85

* Investment in equity shares of subsidiaries carried at cost have not been disclosed in the statement above.

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b) Credit risk exposure

(i) Provision for expected credit losses

The Company provides for 12 month expected credit losses for following financial assets –

As at 31 March 2025

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Non current			
Loans	18,898.00	-	18,898.00
Other financial assets	338.21	-	338.21
Current			
Investment	538.69	-	538.69
Trade receivables	5,590.25	-	5,590.25
Cash and cash equivalents	850.29	-	850.29
Bank balances other than cash and cash equivalents above	967.09	-	967.09
Loans	1,401.46	-	1,401.46
Other financial assets	1,978.04	-	1,978.04
Total	**30,562.03**	**-**	**30,562.03**

As at 31 March 2024

Particulars	Estimated gross carrying amount at default	Expected credit losses	Carrying amount net of impairment provision
Non current			
Loans	9,478.26	-	9,478.26
Other financial assets	134.61	-	134.61
Current			
Trade receivables	435.75	-	435.75
Cash and cash equivalents	247.50	-	247.50
Bank balances other than cash and cash equivalents	685.99	-	685.99
Other financial assets	244.74	-	244.74
Total	**11,226.85**	**-**	**11,226.85**

The credit risk for investment, cash and cash equivalents and other bank balances, loan and other financial assets is considered negligible, since the counterparties are reputable banks with high quality external credit ratings.

* Investment in equity shares of subsidiaries carried at cost have not been disclosed in the statement above.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company approach to managing liquidity is to ensure as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due.

Management monitors rolling forecasts of the Company liquidity position and cash and cash equivalents on the basis of expected cash flows. The Company takes into account the liquidity of the market in which the Company operates.

Financial arrangement

The Company has excess of the following undrawn borrowing facilities at the end of the reporting period:

Particulars	As at 31 March 2025	As at 31 March 2024
Cash credit facility	1,199.24	114.40

However, Compulsory Convertible Preference shares amounting to USD Nil (31 March 2024: USD 32.50 million) is yet to be disbursed.

Maturities of financial liabilities

The tables below analyse the Company financial liabilities into relevant maturity groupings based on their contractual maturities.

As at 31 March 2025	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Borrowings (including interest)	166.35	-	-	-	166.35
Trade payables	-	9,558.75	-	-	9,558.75
Lease liabilities	-	127.12	140.57	-	267.69
Other financial liabilities	-	36.93	15,436.08	-	15,473.01
Total	**166.35**	**9,722.79**	**15,576.65**	**-**	**25,465.81**

As at 31 March 2024	On demand	Less than 1 year	1 - 5 years	More than 5 years	Total
Borrowings (including interest)	3,018.57	-	-	-	3,018.57
Trade payables	-	1,717.06	-	-	1,717.06
Lease liabilities	-	-	203.62	-	203.62
Other financial liabilities	-	11.15	10,294.76	-	10,305.91
Total	**3,018.57**	**1,728.21**	**10,498.38**	**-**	**15,245.16**

The gross outflows disclosed in the above table represent the contractual undiscounted cash flows relating to financial liabilities held for risk management purposes and which are not usually closed out before contractual maturity.

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(C) Market risk

a) Foreign exchange risk

The Company has international transactions and is exposed to foreign exchange risk arising from foreign currency transactions (imports). Foreign exchange risk arises from future commercial transactions and recognised assets and liabilities denominated in a currency that is not the Company's functional currency. The Company has not hedged its foreign exchange payables for the year ended 31 March 2025.

Foreign currency risk exposure:

Particulars	Currency	Amount in foreign currency		Amount in INR	
		31 March 2025	31 March 2024	31 March 2025	31 March 2024
Liabilities					
Trade Payables	USD	4.18	-	367.43	-
Total		**4.18**	**-**	**367.43**	**-**

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises from foreign currency denominated financial instruments.

Particulars	As at 31 March 2025 (in INR)		As at 31 March 2024 (in INR)	
	Exchange rate increase by 1%	Exchange rate decrease by 1%	Exchange rate increase by 1%	Exchange rate decrease by 1%
Liabilities				
Trade Payables	(3.67)	3.67	-	-

b) Interest rate risk

i) Financial liabilities

The Company is exposed to changes in market interest rates through bank borrowings at variable interest rates. The Company's policy is to minimise interest rate cash flow risk exposures on long-term financing.

This exposes the Company to cash flow interest rate risk.

Exposure to interest rate risk	As at 31 March 2025	As at 31 March 2024
Fixed rate instruments		
Financial assets*	3,772.08	1,249.41
Variable rate instruments		
Financial liabilities	15.16	19.95

* The Company fixed deposits are carried at amortised cost and are fixed rate deposits. They are therefore not subject to interest rate risk as defined in Ind AS 107, since neither the carrying amount nor the future cash flows will fluctuate because of a change in market interest rates.

Cash flow sensitivity analysis for variable-rate instruments

The following table illustrates the sensitivity of profit and equity to a reasonably possible change in interest rates of +/- 1% (2023-24: +/- 1%). These changes are considered to be reasonably possible based on observation of current market conditions. The calculations are based on a change in the average market interest rate for each period, and the financial instruments held at each reporting date that are sensitive to changes in interest rates. All other variables are held constant.

Effect in Rs. Million	Impact on Profit or (loss) net of tax	
	100 bp increase	100 bp decrease
31 March 2025		
Variable-rate instruments	0.11	(0.11)
Cash flow sensitivity (net)	**0.11**	**(0.11)**
31 March 2024		
Variable-rate instruments	0.15	(0.15)
Cash flow sensitivity (net)	**0.15**	**(0.15)**

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c) **Price risk**

The Company's exposure to price risk arises from investments held and classified in the balance sheet as fair value through profit or loss. To manage the price risk arising from investments, the Company diversifies its portfolio of assets.

Exposure to interest rate risk	As at 31 March 2025	As at 31 March 2024
Investment in mutual fund (quoted) (at FVTPL)	538.69	-

Sensitivity analysis

The table below summarises the impact of increases/decreases of the index on the Company's equity and profit for the year :

Effect in Rs. Million	Impact on Profit or (loss) net of tax	
	100 bp increase	100 bp decrease
31 March 2025		
Investment in mutual fund (quoted)	4.03	(4.03)
Fair value change through profit and loss (net)	**4.03**	**(4.03)**
31 March 2024		
Investment in mutual fund (quoted)	-	-
Fair value change through profit and loss (net)	-	-

(D) Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, share premium and all other equity reserves attributable to the equity holders of the parent. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using a net debt to equity ratio, which is net debt divided by total capital plus net debt. The Company's policy is to keep an optimum net debt to equity ratio. The Company includes within net debt, interest bearing loans and borrowings less cash and cash equivalents.

Particulars	As at 31 March 2025	As at 31 March 2024
Borrowings	166.35	3,018.57
Less: Cash and cash equivalents	850.29	247.50
Net debt	**(683.94)**	**2,771.07**
Total equity	**6,531.03**	**2,329.30**
Capital and net debt	**5,847.10**	**5,100.37**
Net debt to equity ratio (%)	**-11.70%**	**54.33%**

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36 Terms of borrowings

S. No.	Nature of loan	Borrowing from	Name of Bank	Nature of security	Terms of repayment and interest rate	As at 31 March 2025	As at 31 March 2024
I	Cash credit	Bank	Punjab National Bank	The entire facility, together with all interest, additional interest, liquidated damages, fees, premia on prepayment, costs, charges, expenses and all other monies whatsoever shall be secured inter alia, by a first exclusive charge (hypothecation): present and future a) On all current assets of the Borrower including book debts, operating cash flows, receivables, Escrow/TRA account, bank accounts (current account, debt service reserve account), commissions, revenues of whatsoever nature and wherever arising, intangibles, goodwill, uncalled capital, all moneys, receivables, cash in hand, cash in accounts, both present and future of the Borrower related to the Project; b). On letters of credit, performance bonds or guarantees provided by any person for any contract in relation to the Project in favors of the Borrower; c) On all the rights, title, interest, benefits, claims and demands whatsoever of the Borrower in each of the Project Documents, if required as per the terms of such Project Document, including the right to receive any liquidated damages; d) On all the rights, title, interest; benefits, claims and demands whatsoever of the Borrower in the clearances e) On all insurance contracts/proceeds under insurance contracts in relation to the Project/current asset, operation of the company.	Rate of interest - 1 year MCLR plus 2.65% per annum (31 March 2024: 1 year MCLR plus 1.00% per annum)	15.16	19.95
Total						**15.16**	**19.95**

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37 Related party transactions

In accordance with Ind AS-24 on related parties disclosures where control exist and where transactions have taken place and description of the relationships as identified and certified by the management are as follows:

37.1 List of related parties

Name of the party	Ownership Interest	
(a) Wholly owned subsidiaries	**31 March 2025**	**31 March 2024**
SAEL Limited	100%	100%
SAEL Solar MHP1 Private Limited	100%	100%
SAEL Solar MHP2 Private Limited	100%	100%
SAEL Solar P4 Private Limited	100%	100%
SAEL Solar P5 Private Limited	100%	100%
SAEL Solar P6 Private Limited	100%	100%
SAEL Solar P7 Private Limited	100%	100%
SAEL Solar P8 Private Limited	100%	100%
SAEL Solar P9 Private Limited	100%	100%
SAEL Solar P10 Private Limited	100%	100%
SAEL Solar P11 Private Limited**	100%	-
SAEL Solar P12 Private Limited**	100%	-
SAEL Solar P14 Private Limited**	100%	-
SAEL Solar P15 Private Limited**	100%	-
SAEL Solar P SIXTEEN Private Limited**	100%	-
SAEL Solar P SEVENTEEN Private Limited**	100%	-
SAEL Solar P EIGHTEEN Private Limited**	100%	-
SAEL Solar P NINETEEN Private Limited**	100%	-
SAEL Solar P TWENTY Private Limited**	100%	-
Wholly owned step down subsidiary		
Sunfree Paschim Renewable Energy Private Limited	100%	100%
Sunfree North East Renewable Energy Private Limited	100%	100%
Canal Solar Energy Private Limited	100%	100%
Laxjeet Renewable Energy Private Limited	100%	100%
Universal Biomass Energy Private Limited	100%	100%
VCA Power Private Limited	100%	100%
TNA Renewable Energy Private Limited	100%	100%
KTA Powers Private Limited	100%	100%
Jasrasar Green Power Energy Private Limited	100%	100%
Sardarshahar Agri Energy Private Limited	100%	100%
Sapphire Agri Warehousing Private Limited	100%	-
SAEL Kaithal Renewable Energy Private Limited	100%	100%
SAEL Engineering Private Limited	100%	100%
SAEL Solar Mfg. Private Limited	100%	100%
SAEL RE Power Private Limited	100%	100%
SAEL Solar Solutions Private Limited	100%	100%
SAEL Solar India Private Limited*	100%	100%
SAEL Power Private Limited*	100%	100%
SAEL International Limited, Hongkong	100%	100%
Urjanidhi Solar Private Limited*	100%	100%
Sunfree Energy Private Limited	100%	100%
Native Power Private Limited	100%	100%
SAEL EV Infra Private Limited*	100%	100%
Chattargarh Renewable Energy Private Limited	100%	100%
Sunfree Energy RJP1 Private Limited	100%	100%

* Struck off during the year
**Incorporated during the year

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(b) **Key Managerial Person**

Jasbir Singh	Managing Director
Sukhbir Singh	Director
Laxit Awla	Director
Kainaat Awla	Additional Director (w.e.f 28 March 2025)
Ashok Lavasa	Independent Director (w.e.f 01 October 2024)
Oistein Magnar Andresen	Director (w.e.f 09 August 2024)
Inge Karsten Stoelen	Director (till 08 August 2024)
Bjornar Baugerud	Director (w.e.f. 06 May 2024)
Harbhajan Singh	Director (w.e.f 29 March 2023)
Hemant Sahai	Director (w.e.f 06 December 2023)
Dushyant Kumar	Chief Financial Officer (w.e.f 04 July 2023)
Vishal Garg	Company Secretary (w.e.f. 04 July 2023)

37.2 Transactions with related parties during the year

S. No.	Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
1	**Remuneration to director (including short term benefits)**		
	Jasbir Singh		
	Short term employee benefit	18.75	24.00
	Post employment benefits	2.00	-
	Sukhbir Singh		
	Short term employee benefit	18.75	24.00
	Post employment benefits	1.51	-
	Dushyant Kumar		
	Short-term employee benefits	10.48	5.69
	Vishal Garg		
	Short-term employee benefits	2.46	1.80
		53.96	**55.49**
2	**Investment made in subsidiary during the year**		
	SAEL Solar P4 Private Limited	1,782.90	0.10
	SAEL Solar MHP2 Private Limited	1,123.58	0.10
	SAEL Solar P9 Private Limited	768.60	0.10
	SAEL Solar P10 Private Limited	768.60	0.10
	SAEL Solar P5 Private Limited	-	1,810.10
	Others	469.80	160.30
		4,913.48	**1,970.80**
3	**Non-current loan to related parties**		
	SAEL Limited	5,183.79	6,768.93
	SAEL Solar P4 Private Limited	4,667.00	687.78
	SAEL Solar P6 Private Limited	2,274.66	732.00
	SAEL Solar P5 Private Limited	-	5,410.94
	Others	986.20	492.04
		13,111.65	**14,091.69**
4	**Loan given (current)**		
	SAEL Solar P9 Private Limited	768.70	-
	SAEL Solar P10 Private Limited	768.70	-
	SAEL Engineering Private Limited	478.96	-
	Others	1,123.32	-
		3,139.66	**-**

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S. No.	Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
	Transactions with related parties (continued)		
5	**Conversion of loan given into equity**		
	SAEL Solar P9 Private Limited	768.70	-
	SAEL Solar P10 Private Limited	768.70	-
		1,537.40	-
6	**Interest income from related party from non current loan**		
	SAEL Limited	784.20	420.30
	SAEL Solar P4 Private Limited	336.23	42.22
	SAEL Solar P5 Private Limited	336.40	4.60
	Others	150.16	92.33
		1,607.00	**559.45**
7	**Finance cost**		
	Canal Solar Energy Private Limited	25.26	-
		25.26	-
8	**Receipt of current loan given to related party**		
	Sunfree Paschim Renewable Energy Private Limited	-	4.41
	SAEL Limited	-	4,301.87
		-	**4,306.28**
9	**Revenue from EPC Contract**		
	SAEL Solar P4 Private Limited	13,223.12	-
	SAEL Solar P5 Private Limited	7,908.18	-
	SAEL Solar RJP1 Private Limited	7,370.97	-
	SAEL Solar MHP1 Private Limited	6,204.57	-
	SAEL Solar MHP2 Private Limited	4,634.50	-
	Jasrasar Green Power Energy Private Limited	804.16	823.84
	KTA Powers Private Limited	722.83	760.95
	Sardarshahar Agri Energy Private Limited	560.21	924.53
	Chattargarh Renewable Energy Private Limited	510.66	975.30
	SAEL Solar Solutions Private Limited	-	2,228.87
	Others	4,207.44	1,178.38
		46,146.64	**6,891.87**
10	**Revenue from sale of product**		
	Chattargarh Renewable Energy Private Limited	260.24	-
	TNA Renewable Energy Private Limited	149.41	-
	Sardarshahar Agri Energy Private Limited	112.94	-
	Others	102.79	
		625.38	-

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S. No.	Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
	Transactions with related parties (continued)		
11	**Reimbursement of expenses**		
	SAEL Solar P6 Private Limited	4,415.73	-
	SAEL Solar Mfg. Private Limited	588.80	-
		5,004.53	**-**
12	**Purchase of material**		
	SAEL Solar P6 Private Limited	14,013.09	-
	SAEL Solar Mfg. Private Limited	1,946.82	-
	SAEL Engineering Private Limited	170.38	73.81
	SAEL Solar Solutions Private Limited	-	424.49
		16,130.29	**498.30**
13	**Loan taken from related party (short term borrowings)**		
	TNA Renewable Energy Private Limited	-	255.43
	VCA Power Private Limited	-	678.02
	Jasrasar Green Power Energy Private Limited	-	220.36
	Sunfree Paschim Renewable Energy Private Limited	-	138.48
	Others	-	4.10
		-	**1,296.40**
14	**Loan repaid to related party (short term borrowings)**		
	VCA Power Private Limited	777.60	-
	TNA Renewable Energy Private Limited	454.97	-
	Canal Solar Energy Private Limited	366.32	-
	Jasrasar Green Power Energy Private Limited	310.23	-
	KTA Power Private Limited	275.12	4.83
	Universal Biomass Energy Private limited	195.72	596.53
	Chattargah Renewalble Energy Private Limited	-	90.00
		330.14	54.51
		2,710.09	**745.86**
15	**Expenses incurred on behalf of related party**		
	VCA Power Private Limited	220.71	-
	SAEL Limited	158.63	-
	Others	303.24	
		682.60	**-**
16	**Expenses incurred on behalf of Company**		
	Laxjeet Renewable Energy Private Limited	3.61	-
		3.61	**-**

Note: During the year, distribution has been made to shareholders pursuant to derecognition of investment, further refer note 50.

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37.3 Outstanding balances at the year end

S. No.	Particular	As at 31 March 2025	As at 31 March 2024
1	**Investment in Equity share capital**		
	SAEL Limited	2,658.22	2,658.22
	SAEL Solar P5 Private Limited	1,810.10	1,810.10
	SAEL Solar P4 Private Limited	1,783.00	0.10
	SAEL Solar MHP2 Private Limited	1,123.68	0.10
	SAEL Solar P9 Private Limited	768.70	0.10
	SAEL Solar P10 Private Limited	768.70	0.10
	SAEL Solar MHP1 Private Limited	469.00	0.10
	SAEL Solar P6 Private Limited	160.10	160.10
	SAEL Solar P7 Private Limited	0.10	0.10
	SAEL Solar P8 Private Limited	0.10	0.10
	SAEL Solar P11 Private Limited	0.10	-
	SAEL Solar P12 Private Limited	0.10	-
	SAEL Solar P14 Private Limited	0.10	-
	SAEL Solar P15 Private Limited	0.10	-
	SAEL Solar P SIXTEEN Private Limited	0.10	-
	SAEL Solar P SEVENTEEN Private Limited	0.10	-
	SAEL Solar P EIGHTEEN Private Limited	0.10	-
	SAEL Solar P NINETEEN Private Limited*	0.10	-
	SAEL Solar P TWENTY Private Limited	0.10	-
		9,542.60	**4,629.12**
2	**Investment in compulsory convertible preference shares (CCPS) (at amortised cost)**		
	SAEL Limited	466.60	466.60
		466.60	**466.60**
3	**Value of Deemed Investment accounted in terms of fair valuation under Ind AS 109: (net of tax)**		
	SAEL Limited	3,390.62	1,818.75
	SAEL Solar P5 Private Limited	1,535.24	1,454.16
	SAEL Solar P4 Private Limited	1,516.76	182.71
	SAEL Solar P6 Private Limited	852.32	196.14
	Universal Biomass Energy Private Limited	211.72	-
	Sunfree Energy RJP1 Private Limited	70.39	69.04
	SAEL Solar MFG Private Limited	66.66	63.14
	SAEL Solar MHP1 Private Limited	39.15	37.08
	SAEL Solar MHP2 Private Limited	36.03	34.12
	SAEL Solar P7 Private Limited	28.63	-
	SAEL Solar P8 Private Limited	25.08	-
		7,772.60	**3,855.14**

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S. No.	Particular	As at 31 March 2025	As at 31 March 2024
	Outstanding balances (continued)		
4	**Value of deemed investment (related to corporate guarantee given) accounted in terms of fair valuation under Ind AS 109**		
	SAEL Solar MHP2 Private Limited	485.05	
	SAEL Solar P5 Private Limited	215.28	-
	SAEL Solar P4 Private Limited	199.93	-
	SAEL Solar P6 Private Limited	45.27	-
	SAEL RE POWER PRIVATE LIMITED	23.44	-
	KTA Powers Private Limited	19.48	-
	TNA Renewable Energy Private Limited	19.48	-
	VCA Power Private Limited	19.48	-
	Sardarshahar Agri Energy Private Limited	19.45	-
	Chattargarh Renewable Energy Pvt. Ltd	18.87	-
	Sunfree North East Renewable Energy Pvt. Ltd	6.63	-
		1,072.36	-
5	**Investment by related parties**		
	Jasbir Singh	666.53	-
	Sukhbir Singh	558.08	-
	Laxit Awla	65.39	-
		1,290.00	-
6	**Non-current loan to related parties**		
	SAEL Limited	8,626.20	4,623.27
	SAEL Solar P4 Private Limited	3,706.30	472.23
	SAEL Solar P5 Private Limited	3,700.36	3,363.96
	SAEL Solar P6 Private Limited	2,019.27	500.60
	Sunfree Energy Private Limited	425.00	-
	SAEL Solar MHP1 Private Limited	103.68	94.46
	SAEL Solar MHP2 Private Limited	96.22	87.55
	Universal Biomass Energy Private Limited	97.49	-
	SAEL Solar P7 Private Limited	66.30	0.05
	SAEL Solar P8 Private Limited	57.18	0.05
	SAEL Solar Solutions Private Limited	-	0.64
	SAEL Solar Mfg Private Limited	-	160.51
	SAEL Solar P9 Private Limited	-	0.06
	SAEL Solar P10 Private Limited	-	0.06
	Sunfree Energy RJP1 Private Limited	-	175.50
		18,898.00	**9,478.94**
7	**Loan to related parties - current**		
	SAEL Engineering Private Limited	526.29	-
	VCA Power Private Limited	300.00	-
	SAEL Solar P SIXTEEN Private Limited	250.04	-
	SAEL Solar Solutions Private Limited	112.48	-
	SAEL Solar P11 Private Limited	95.36	-
	SAEL Solar P15 Private Limited	65.74	-
	Sapphire Agri Warehousing Private Limited	29.64	-
	Sunfree Paschim Renewable Energy Private Limited	17.45	-
	Canal Solar Energy Private Limited	4.46	-
		1,401.46	-

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S. No.	Particular	As at 31 March 2025	As at 31 March 2024
	Outstanding balances (continued)		
8	**Loan from related party (short term borrowings)**		
	Sukhbir Singh	150.00	157.40
	Jasbir Singh	1.20	126.95
	KTA Power Private Limited	-	275.12
	TNA Renewable Energy Private Limited	-	454.97
	VCA Power Private Limited	-	777.60
	Sardarshahar Agri Energy Private Limited	-	89.12
	Jasrasar Green Power Energy Private Limited	-	310.23
	Canal Solar Energy Private Limited	-	366.32
	Laxject Renewable Energy Private Limited	-	52.53
	SAEL Engineering Private Limited (Formerly Lalitpur Solar Private Limited)	-	50.00
	SAEL RE POWER Private Limited	-	0.05
	Sunfree North East Renewable Energy Private Limited	-	0.14
	Sunfree Paschim Renewable Energy Private Limited	-	138.48
	Universal Biomass Energy Private limited	-	195.72
	SAEL Agri Commodities Limited	-	3.98
		151.20	**2,998.62**
9	**Trade receivable**		
	SAEL Solar MHP1 Private Limited	2,667.32	
	SAEL RE POWER Private Limited	450.98	-
	Jasrasar Green Power Energy Private Limited	450.86	
	Chattargarh Renewable Energy Pvt. Ltd	408.82	
	KTA Power Private Limited	296.31	
	TNA Renewable Energy Private Limited	287.48	
	Sardarshahar Agri Energy Private Limited	282.35	
	SAEL Solar Solutions Private Limited	233.04	286.51
	VCA Power Private Limited	192.71	
	SAEL Limited	-	132.63
	SAEL Kaithal Renewable Energy Private Limited	-	3.21
	Other	-	13.41
		5,269.87	**435.76**
10	**Other financial assets (current)**		
	SAEL Limited	65.19	-
	Universal Biomass Energy Private limited	-	-
	SAEL Solar P4 Private Limited	-	-
	SAEL Solar P5 Private Limited	-	-
	SAEL Solar P9 Private Limited	22.87	-
	SAEL Solar P10 Private Limited	22.87	-
	SAEL Solar MHP1 Private Limited	-	-
	SAEL Solar MHP2 Private Limited	-	-
	Sunfree Energy RJP1 Private Limited	-	-
	SAEL Kaithal Renewable Energy Private Limited	4.58	14.01
		115.53	**14.01**
11	**Other financial liabilities (current)**		
	Laxject Renewable Energy Private Limited	3.61	-
		3.61	-

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S. No.	Particular	As at 31 March 2025	As at 31 March 2024
	Outstanding balances (continued)		
12	**Other current liability**		
	Advance from customer		
	KTA Power Private Limited	79.65	-
	SAEL Solar P5 Private Limited	9,884.93	5,928.78
	SAEL Solar P4 Private Limited	3,329.64	-
	SAEL Solar MHP2 Private Limited	3,226.57	-
	SAEL Solar P9 Private Limited	2,908.75	-
	SAEL Solar P10 Private Limited	2,879.21	-
	Sunfree Energy RJP1 Private Limited	1,509.40	-
	SAEL Solar P6 Private Limited	-	400.00
		23,818.15	**6,328.78**
13	**Other current assets**		
	Chattargah Renewalble Energy Private Limited	-	32.22
		-	**32.22**
14	**Corporate Guarantee given on behalf of the related parties**		
	SAEL Solar P4 Private Limited	18,342.00	
	SAEL Solar P5 Private Limited	17,940.00	-
	SAEL Solar P6 Private Limited	4,932.30	-
	SAEL Solar MHP2 Private Limited	4,450.00	-
	SAEL RE POWER PRIVATE LIMITED	2,150.00	-
	TNA Renewable Energy Private Limited	1,786.80	-
	VCA Power Private Limited	1,786.80	-
	KTA Powers Private Limited	1,786.80	-
	Sardarshahar Agri Energy Private Limited	1,784.00	-
	Chattargarh Renewable Energy Pvt. Ltd	1,731.00	-
	Sunfree North East Renewable Energy Pvt. Ltd	506.30	-
		57,196.00	-
15	**Trade payable**		
	SAEL Solar P6 Private Limited	3,794.78	-
	SAEL Solar Mfg. Private Limited	881.46	516.71
	SAEL Engineering Private Limited	215.10	-
		4,891.34	**516.71**

Note:- a) All transactions with related parties are made on the terms equivalent to those that prevail in arm's length transactions and within the ordinary course of business. Outstanding balances at respective year/period ends are unsecured and settlement is generally done in cash.
b) The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and relied upon by the auditors.

WALKER CHANDIOK CHARTERED ACCOUNTANTS

G.D. SINGHAL & ASSOCIATES FRN : 017648N FEROZEPUR CITY CHARTERED ACCOUNTANTS

SAEL Industries Limited

38 Employee benefits

Defined contribution

Contributions are made to the recognised provident and family pension fund, cover all eligible employees under applicable Acts. Both the employees and the Company make pre-determined contributions to the provident fund. The contributions are normally based upon a proportion of the employee's salary. The Company has recognized an amount of Rs 11.19 million (31 March 2024: Rs. 7.96 millions) towards employer's contribution in provident fund and other funds in the statement of profit and loss.

Defined benefit obligation

Provision for gratuity, payable to eligible employees on retirement/separation, is based upon an actuarial valuation as at the balance sheet date. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The obligations are actuarially determined using the 'Projected Unit Credit Method' as at the balance sheet date. Gains/ losses on changes in actuarial assumptions are accounted in Other Comprehensive Income as identified by the management of the Company.

Other long term employee benefits

Provision for compensated absences, payable to eligible employees on availment/ retirement/ separation, is based upon an actuarial valuation as at the balance sheet date. Major drivers in actuarial assumptions, typically, are years of service and employee compensation. The obligation are actuarially determined using the 'Projected Unit Credit Method' as at the balance sheet date. Gains/ losses on changes in actuarial assumptions are accounted in Other Comprehensive Income.

The Company has recognized the following amount in profit and loss under table below.

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
a) Employer contribution to Employee's Provident Fund	11.19	7.96

Particulars	Gratuity	
	As at 31 March 2025	As at 31 March 2024
Reconciliation of liability recognised in the Balance sheet:		
Present value of commitments	30.76	19.84
Net liability in the balance sheet	30.76	19.84
Movement in net liability recognised in the Balance sheet:		
Net liability as at the beginning of the year	19.84	0.03
Net amount recognised as expenses in the statement of profit and loss	15.26	6.82
Benefits paid	(0.33)	-
Remeasurements-actuarial (gains) / losses	(4.01)	12.99
Net liability as at the end of the year	**30.76**	**19.84**
Expenses recognised in the statement of profit and loss		
Current service cost	13.83	6.82
Interest cost	1.43	0.00
Expenses charged to the statement of profit and loss	**15.26**	**6.82**
Component of defined benefit cost recognised in other comprehensive income- (gain)/ loss	**(4.01)**	**12.99**
Current value of defined benefit obligation	1.34	0.61
Non current value of defined benefit obligation	29.42	19.24

Particulars	Gratuity	
	As at 31 March 2025	As at 31 March 2024
Reconciliation of defined-benefit commitments:		
Obligations as at the beginning of the year	19.84	0.03
Current service cost	13.83	6.82
Interest cost	1.43	0.00
Benefits paid	(0.33)	-
Remeasurements- actuarial (gains) / losses	(4.01)	12.99
Obligations as at the end of the year	**30.76**	**19.84**

Breakup of actuarial (gain) / loss

Particulars	As at 31 March 2025	As at 31 March 2024
Actuarial (gain)/loss on arising from change in financial assumption	(0.20)	0.31
Actuarial (gain)/loss on arising from experience adjustment	(2.96)	12.68
Actuarial (gain)/loss on arising from Change in Demographic Assumption	(0.85)	-
Total actuarial (gain)/loss	**(4.01)**	**12.99**

The actuarial valuation in respect of commitments and expenses relating to unfunded Gratuity are based on the following assumptions which if changed, would affect the commitment's size, funding requirements and expenses:

(a) Economic assumptions

Particulars	As at 31 March 2025	As at 31 March 2024
Discount rate (in.%)*	7.28%	7.36%
Salary escalation rate (in %)	8.00%	8.00%

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(b) Demographic assumptions

Particulars	As at 31 March 2025	As at 31 March 2024
Retirement age	58 years	58 years
Ages (withdrawal rate) (in %)		
Up to 30 years	5.00%	3.00%
From 31 to 44 years	5.00%	2.00%
Above 44 years	5.00%	1.00%
Mortality table	100% Indian Assured Lives Mortality (IALM) (2012-14)	100% Indian Assured Lives Mortality (IALM) (2012-14)

As at 31 March 2025, the weighted average duration of the defined benefit obligation was 12.65 years (31 March 2024 : 17.30 years).
These assumptions were developed by management with the assistance of independent actuarial appraisers. Discount factors are determined close to each year end by reference to government bonds of relevant economic markets and that have terms to maturity approximating to the terms of the related obligation. Other assumptions are based on management's historical experience.

(c) Sensitivity analysis of defined benefit obligation

Particulars	Gratuity	
	As at 31 March 2025	As at 31 March 2024
a) Impact of the change in discount rate		
i) Impact due to increase of 0.50%	(1.37)	(1.27)
ii) Impact due to decrease of 0.50%	1.49	1.40
b) Impact of the change in salary increase		
i) Impact due to increase of 0.50%	1.25	1.11
ii) Impact due to decrease of 0.50%	(1.20)	(1.06)

Sensitivities due to mortality and withdrawals are not material & hence impact of change not calculated.
Sensitivities as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

(d) Maturity profile of defined benefit obligation

Particulars	Gratuity	
	As at 31 March 2025	As at 31 March 2024
Less than 1 year	1.34	0.61
1 to 2 year	0.76	0.24
2 to 3 year	1.30	0.28
3 to 4 year	1.20	0.83
4 to 5 year	2.59	0.56
5 to 6 year	1.67	1.84
More than 6 years	18.38	15.48

The contribution expected to be made by the Company during the next financial year 2025-26 of Rs. 17.54 million (2024-25: Rs. 11.66 million)

(e) Other long-term employment benefits

An actuarial valuation of compensated absences has been carried out by an independent actuary using the Projected Unit Credit method. As at 31 March 2025, provision for compensated absences amounts to Rs 20.13 millions (31 March 2024: Rs 15.52 million) presented as provision for employee benefits in note 26 - Provisions. Since the Company does not have an unconditional right to defer settlement for any of the leave obligations, it disclosed the amount as current liabilities. However, the Company does not expect that all leave obligations will be settled in the next 12 months.

Particulars	Compensated absences	
	As at 31 March 2025	As at 31 March 2024
Present value of obligation as at the end of the year		
Compensated absences	20.13	15.52
Current and non-current liability bifurcation		
Non current	-	-
Current	20.13	15.52

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SAEL Industries Limited

39 Ind AS 116 - Leases

The Company has lease agreements usually for a period of 3 years. With the exception of short-term leases and leases of low-value underlying assets, each lease is reflected on the balance sheet as a right-of-use asset and a lease liability. The Company classifies its right-of-use assets in a consistent manner to its property, plant and equipment.

Each lease generally imposes a restriction that, unless there is a contractual right for the Company to sublease the asset to another party, the right-of-use asset can only be used by the Company. The Company is prohibited from selling or pledging the underlying leased assets as security.

Set out below are the carrying amounts of lease liability recognized and movement during the year:

Particular	Lease liabilities
Balance as at 01 April 2023	-
Addition of lease liability	218.99
Interest expenses	10.24
Payment of principal lease liability	(8.51)
Balance as of 31 March 2024	**220.72**
Addition of lease liability	109.07
Interest expenses	27.64
Payment of principal lease liability	(113.74)
Balance as of 31 March 2025	**243.69**

The following is the break-up of current and non-current lease liabilities as of 31 March 2025 and 31 March 2024:

Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
Non-current lease liabilities	133.61	135.28
Current lease liabilities	110.09	85.44
Total	**243.70**	**220.72**

The following are the amounts recognised in Statement of Profit and Loss:

Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
Depreciation of right-of-use assets (refer note 33)	112.18	37.39
Interest expense on lease liabilities* (refer note 32)	27.64	10.24
Rent expense relating to short-term leases and low value assets (refer note 34)	39.31	0.74
Total amount recognised in profit or loss	**179.13**	**48.37**

The table below provides details regarding the contractual maturities of lease liabilities as of 31 March 2025 and 31 March 2024 on an undiscounted basis:

Particular	For the year ended 31 March 2025	For the year ended 31 March 2024
Less than one year	127.12	102.24
One to five years	140.57	153.35
More than five years	-	-
Total	**267.69**	**255.59**

The table below describes the nature of Company's leasing activities by type of right-of-use asset recognised on the balance sheet:

Right-of-use assets	No of right-of-use assests leased	Range of remaining term (in year)	Average remaining lease term	No. of leases with extension options	No. of leases with termination options
Office Building					
- 31 March 2025	2	0.56 to 2.50 years	2	-	-
- 31 March 2024	1	2 years	2	-	-

40 Contingent liabilities

Particulars	As at 31 March 2025	As at 31 March 2024
Co-guarantee issued (refer note 37)	57,196.00	-
	57,196.00	-

41 Capital commitment

The Company does not have any capital commitment as at 31 March 2025 (31 March 2024: Nil).

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42 Earnings per share

Both the basic and diluted earnings per share have been calculated using the profit/(loss) attributable to shareholders of the Company as the numerator, i.e. no adjustments to profit/(loss) were necessary.

The reconciliation of the weighted average number of shares for the purposes of diluted earnings per share to the weighted average number of ordinary shares used in the calculation of basic earnings per share and diluted loss per share is as follows:

Particulars	For the year ended 31 March 2025	For the year ended 31 March 2024
Profit/(loss) attributable to owners	2,908.89	(656.43)
Number of equity shares at the beginning of the year	4,61,29,197	4,61,29,197
Add: Share issued during the year	5,56,644	-
Total number of shares outstanding post issue	4,66,85,841	4,61,29,197
Weighted average number of shares used in basic earning per share	4,66,85,841	4,61,29,197
Number of preference shares	2,67,79,644	1,13,45,433
Weighted average number of shares used in diluted earning per share	7,34,65,485	5,74,74,630
Basic earning per share	62.31	(14.23)
Diluted earning per share	62.31	(14.23)

*The Company has not taken effect of compulsory convertible preference shares while computing diluted earning per share as the instrument is variable in nature and without any fixed to fixed conversion feature and the same depends upon valuation which is derived on the basis of a formula at the entry valuation date however the same will change depending upon the secured obligations paid till the date of conversion, therefore the future obligations to be settled cannot be settled as at the signing date.

43 Details of assets pledged

The carrying amounts of assets pledged as security for current borrowings are:

Particulars	As at 31 March 2025	As at 31 March 2024
Current		
Inventories	-	278.54
Investments	538.69	-
Trade receivables	5,590.25	435.75
Cash and cash equivalents	850.29	247.50
Bank balances other than cash and cash equivalents above	967.09	685.99
Loans	1,401.46	-
Other financial assets	1,978.04	244.74
Other current assets	5,169.89	1,655.62
Total	**16,495.71**	**3,548.14**

44 Reconciliation of liabilities from financing activities pursuant to Ind AS-7 Statement of Cash Flows:

Particulars	As at 01 April 2024	Cash flows		Non cash changes	As at 31 March 2025
		Additions	Payments		
Lease liabilities (including current maturities)	220.72	-	(117.44)	140.43	243.70
Current borrowings (net)	3,018.57	-	(2,852.22)	-	166.35
Compulsory convertible preference shares	10,294.76	2,765.50	-	2,375.82	15,436.08
Interest accrued on borrowings	-	-	(55.56)	55.56	-
Total liabilities from financial activities	**13,534.05**	**2,765.50**	**(3,025.22)**	**2,571.81**	**15,846.14**

Particulars	As at 01 April 2023	Cash flows		Non cash changes	As at 31 March 2024
		Additions	Payments		
Lease liabilities (including current maturities)	-	-	(8.51)	229.23	220.72
Current borrowings (net)	2,448.11	570.46	-	-	3,018.57
Compulsory convertible preference shares	3,318.80	6,018.00	-	957.96	10,294.76
Interest accrued on borrowings	-	-	(82.01)	(82.01)	-
Total liabilities from financial activities	**5,766.91**	**6,588.46**	**(90.52)**	**1,105.18**	**13,534.05**

Particulars (2024-25)	As at 01 April 2024	Cash flows		Non cash changes	As at 31 March 2025
		Additions	Payments		
ROU Asset	186.94			0.59	187.54
Total	**186.94**	**-**	**-**	**0.59**	**187.54**

In Rs million unless otherwise stated

Particulars (2023-24)	As at 01 April 2023	Cash flows		Non cash changes	As at 31 March 2024
		Additions	Payments		
ROU Asset	-	-	-	186.94	186.94
Total	**-**	**-**	**-**	**186.94**	**186.94**

45 Details for funds received and loaned as intermediary

a) Funds received from foreign entity (Funding Party)

Funding Party	Date	As at 31 March 2025	As at 31 March 2024
Norfund Registered Address: Fridtjof Nansens plass 4, N-0160 Oslo, Norway	15 May 2024	1,456.00	-
	14 February 2025	1,309.50	-
	13 October 2023	-	1,660.00
	02 February 2024	-	1,450.00
U.S International Development Finance Corporation (DFC) Registered Address: 1100 New York Ave. NW, Washington, DC, 20527	15 February 2024	-	2,587.46
		2,765.50	**5,697.46**

Fund advanced to intermediary entity for onward lending to ultimate beneficiary as stated in point (c) below

31 March 2025

Intermediary Entity	Date on which funds are Loaned to Intermediary	Amount of funds loaned	Date on which funds are further Loaned or invested by Intermediaries to other Intermediaries or Ultimate Beneficiaries	Amount of fund further loaned by such Intermediaries to other Intermediaries	Other Intermediary Entity	Amount of fund further loaned or invested by such other intermediaries to Ultimate Beneficiaries	Ultimate Beneficiary
SAEL Limited	Multiple dates	2,765.50	Multiple dates	2,765.50	Universal Biomass Energy Private Limited	2,765.50	SAEL Solar MHP1 Private Limited
		2,765.50		**2,765.50**		**2,765.50**	

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31 March 2024

Intermediary Entity	Date on which funds are Loaned to Intermediary	Amount of funds loaned	Date on which funds are further Loaned or invested by Intermediaries to other Intermediaries or Ultimate Beneficiaries	Amount of fund further loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries	Ultimate Beneficiary
SAEL Limited	Multiple dates	5,456.46	Multiple dates	1,076.57	Universal Biomass Energy Private Limited
				646.73	SAEL Solar Solution Private Limited
				555.21	KTA Powers private Limited
				530.00	SAEL Solar Mfg Private Limited
				508.24	VCA Power Private Limited
				506.82	TNA Renewable Energy Private Limited
				505.87	Sardarshahar Agri Energy Private Limited
				443.36	Sunfree North East Renewable Energy Private Limited
				225.55	SAEL Kaithal Renewable Energy Private Limited
				199.34	Sunfree Paschim Renewable Energy Private Limited
				103.62	Jasrasar Green Power Energy Private Limited
				77.44	Canal Solar Energy Private Limited
				52.37	SAEL Engineering Private Limited
				25.34	SAEL RE Power Private Limited
SAEL Solar RJPI private Limited	Multiple dates	241.00	Multiple dates	241.00	
		5,697.46		5,697.46	

b) Funds lend to Ultimate Beneficiary

31 March 2025

Intermediary Entity	Date on which funds are Loaned to Intermediary	Amount of funds loaned	Date on which funds are further Loaned or invested by Intermediaries to other Intermediaries or Ultimate Beneficiaries	Amount of fund further loaned by such Intermediaries to other intermediaries	Other Intermediary Entity	Amount of fund further loaned or invested by such other intermediaries to Ultimate Beneficiaries	Ultimate Beneficiary
SAEL Limited	Multiple dates	2,418.29	Multiple dates	2,418.29	Universal Biomass Energy Private Limited	1,454.50	SAEL Solar MHPI Private Limited
						963.79	SAEL Solar MHPI Private Limited
		2,418.29		2,418.29		2,418.29	

The Company has complied with relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999), Companies Act and the Prevention of Money-Laundering Act, 2002 (15 of 2003).

46 Ratio

The followings are the analytical ratio for the year ended 31 March 2025 and 31 March 2024.

Ratios	Numerator	Denominator	As at 31 March 2025	As at 31 March 2024	Variance %
Current Ratio	Total current assets	Total current liabilities	0.47	0.32	48.88%*
Debt Equity Ratio	Debts consist of borrowings and lease liabilities	Total equity	0.03	1.30	-98.03%**
Debt Service Coverage Ratio	Earning for debts service = net profit after taxes + non-cash operating expenses + interest + other non-cash adjustments	Debts service = Interest and lease payment + principal repayment	28.57	(4.24)	774.60%***
Return on Equity Ratio (%)	Profit/ loss for the year less preference dividend (if any)	Average total equity	65.66%	-14.43%	555.09%***
Inventory Turnover Ratio	Cost of good sold	Average inventory	301.25	44.34	579.35%#
Trade Receivable Turnover Ratio	Revenue from operations	Average trade receivable	15.52	31.63	-50.94%##
Trade Payable Turnover Ratio	Total purchases	Average trade payable	Not applicable	Not applicable	Not applicable
Net Capital Turnover Ratio	Revenue from operations	Average working capital (i.e. total current assets less total current liabilities	(2.54)	(0.90)	181.09%##
Net Profit Ratio (%)	Profit for the year	Revenue from operations	6.22%	-9.52%	165.31%***
Return on Capital Employed (%)	Profit before tax and finances cost	Capital employed = Total assets - current liabilities	101.40%	-11.12%	1011.60%***
Return on Investment(%)	Income generated from invested funds	Average invested funds in treasury investments	17.01%	15.52%	9.62%

Reasons for variance :

*During the year, Company has given short term loan to related party which increases their current assets and increases their current ratio.
**During the year, Company has taken short term loan from related party which increases their borrowings and increases their debt equity ratio.
***During the year, there is an signifcant increase in earning for debt service, which increases the ratio.
#During the year, there is an signifcant increase in operations of the Company which increases their inventory turnover ratio.
##During the year, there is an significant increase in revenue which increases their ratio.

47 Exceptional Items

The exceptional item represents processing charges of Rs. 191.50 millions incurred in respect of an unsuccessful loan application during the financial year. The expenditure has been recognised in the statement of profit and loss.

48 Subsequent event

The Board of Directors of the Company at their meeting held on 12 June 2025, accorded/granted to undertake an initial public offering of an offer for sale of equity shares by existing shareholders of the Company as per SEB ICDR Regulations.

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS *

G.D. SINGHAL & ASSOCIATES * CHARTERED ACCOUNTANTS * FRN : 017648N FEROZEPUR CITY

SAEL Industries Limited

SAEL Industries Limited
CIN: U40106PB2022PLC055755
Notes to standalone financial Statements for the year ended 31 March 2025

49 Other statutory disclsoures

i) The Company has not been declared a 'Willful Defaulter' by any bank or financial institution (as defined under the Companies Act, 2013) or consortium thereof, in accordance with the guidelines on wilful defaulter issued by the Reserve Bank of India.

ii) The Company does not have any charges or satisfaction, which is yet to be registered with Registrar of Companies, beyond the statutory period prescribed under the Companies Act, 2013 and the rules made thereunder.

iii) The Company has not entered into any transaction which has not been recorded in the books of account, that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

iv) The Company has not traded or invested in crypto currency or virtual currency during the year.

v) The Company does not have any benami property and no proceedings have been initiated or pending against the Company for holding any benami property, under the Benami Transactions (Prohibitions) Act, 1988 (45 of 1988) and the rules made thereunder.

vi) The Company does not have any transactions with companies struck off under Section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

vii) The Company has been sanctioned a working capital limit by bank on the basis of security of current assets. Pursuant to the term of sanction letters, the Company has required to file the quarterly statements of current assets with banks, the same has not been filed.

viii) The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Companies Act, 2013 read with Companies (Restriction on number of Layers) Rules, 2017.

ix) The Company has not revalued its property, plant and equipment during the current or previous years.

50 Segment reporting

The Company is engaged in the business of generating revenue from engineering, procurement and construction contracts of power plants. Chief Opearting Decision Maker (CODM) reviews the financial information of the Company as a whole for decision- making and accordingly the Company has a single reportable segment.Further the operations of the Company are limited within one geographical segment. Hence no further disclosure is required to be made by the Company.

51 The Ministry of Corporate Affairs (MCA) has prescribed a requirement for companies under the proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014 inserted by the Companies (Accounts) Amendment Rules, 2021 requiring companies, which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled.

The Company has used accounting software for maintaining its books of account which has a feature of audit trail (edit log) facility and the same was enabled at the application level. During the year ended 31 March 2025, the Company has not enabled the feature of recording audit trail (edit log) at the database level for the said accounting software to log any direct data changes on account of storage space constraint and impacting database performance significantly.

52 The National Company Law Tribunal ("NCLT") has approved the Composite Scheme of Arrangement (the Scheme') between the Company, SAEL Limited, Sapphire Agri and Warehousing Private Limited and their respective shareholders and creditors under section 231 to 232 of the Companies Act 2013 ("the Act"), read with Companies (Compromises, Arrangements and Amalgamations) Rules, 2016, to the extent applicable, for the demerger of Warehousing and Agri business ("Demerged Undertaking") of the SAEL Limited, vide order dated 06 May 2025 (the Order') which has been filed with ROC on 28 May 2025, with effect from the Appointed date being 01 January 2023. The Scheme inter alia is divided into two parts where Demerged Undertaking from SAEL Limited shall get vested into the Company and thereafter the same Demerged Undertaking shall get demerged and vest in the Sapphire Agri Warehousing Private Limited ('Sapphire'). The transaction is considered to be a business combination of entities under common control.

Considering the date of giving effect to the Scheme for vesting of Demerged Undertaking into the Company and subsequent demerger thereof into Sapphire is same, such transaction has been treated as a capital re-organisation and a pass-through transaction in nature. However, as the carrying amount of investment measured at cost in SAEL Limited, before demerger, represented interest in both the Demerged Undertaking as well as retained business of SAEL Limited, it has now been proportionately derecognised by Rs. 3,793.49 million to the extent of reduction of Company's interest in SAEL Limited on account of demerger, calculated based on the relative fair value of Demerged Undertaking to the retained business of SAEL Limited.

Pursuant to such derecognition of investment, the corresponding impact has been adjusted to the Other Equity: Retained earnings of the Company as at 01 April 2023 and the comparitive financial information for the year ended 31 March 2024, accordingly stands restated for such impact.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Tarun Gupta
Partner
Membership No. 507892

Place: New Delhi
Date: 12 June 2025

For **G.D. Singhal & Associates**
Chartered Accountants
Firm's Registration No.: 017648N

Gagan Deep Singhal
Partner
Membership No. 098947

Place: New Delhi
Date: 12 June 2025

For and on behalf of the Board of Directors
SAEL Industries Limited

Jasbir Singh
Managing Director
DIN- 01668231

Place: New Delhi
Date: 12 June 2025

Sukhbir Singh
Director
DIN- 01785240

Place: New Delhi
Date: 12 June 2025

Vishal Garg
Company Secretary
Membership No - F6867

Place: New Delhi
Date: 12 June 2025