

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF MECHTECH THERMAL PRIVATE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial Statements of **MECHTECH THERMAL PRIVATE LIMITED** ("the Company"), which comprise the Balance sheet as at March 31, 2025, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the period then ended and Notes to the Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025 and its loss including Other Comprehensive Income, Changes in Equity and its Cash Flows for the period ended on that date.

Basis for Opinion

We conducted our audit of the Financial Statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the Financial Statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the Financial Statements.

Information Other than the Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board report but does not include the Financial Statements and our auditor's report thereon. The above information is expected to be made available to us after the date of this auditor's report.

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



In connection with our audit of the Financial Statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated.

When we read the above other information, if we conclude that there is material misstatement therein, we are required to communicate the matter to those charged with governance.

Management responsibilities for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act, with respect to the preparation of these Financial Statements that give a true and fair view of the Financial Position, Financial Performance including Other Comprehensive Income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind As) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended.

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 fair presentation of the Financial Statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

Auditors' Responsibility for the Audit of the Financial Statements

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



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

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3) (i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Company to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the Financial Statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the Financial Statements may be influenced.

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

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



Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 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.
2. As required by Section 143 (3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c. The Balance Sheet, the Statement of Profit and Loss (Including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
 - d. In our opinion, the aforesaid Financial Statements comply with the Ind AS prescribed under Section 133 of the Act.
 - e. On the basis of the written representations received from the directors as on March 31, 2025 and taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls with reference to Financial Statements of the Company and the operating effectiveness of such controls, refer to our separate Report in **"Annexure B"**.
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors during the period is in accordance with the provisions of section 197 of the Act.
 - h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, 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 litigations which would impact its financial position;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.



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

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

(c) Based on our audit procedure conducted that have been considered reasonable and appropriate in the circumstances, nothing has come to our attention that cause us to believe that the representation given by the management under paragraph (2) (h) (iv) (a) & (b) contain any material misstatement.

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

vi. Based on our examination, which included test checks, the company has used accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the software. Further, during the course of our audit we did not come across any instance of audit trail feature being tampered with. Additionally, the company has preserved the audit trail as per the statutory requirements for record retention.

For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355

R. P. Shah
Rupesh Shah
Partner
Membership No. 117964
UDIN No.: 25117964BMOOTL6789

Navi Mumbai
Date: April 28, 2025



“ANNEXURE A” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of MECHTECH THERMAL PRIVATE LIMITED on the Financial Statements for the period ended March 31, 2025)

- i. In respect of its Property, Plant & Equipment
 - a) (A) The Company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment on the basis of available information.

(B) The Company has maintained proper records showing full particulars intangible assets on the basis of available information.
 - b) As explained to us, Property, Plant & Equipment have been physically verified by the management. No material discrepancies were noticed on such physical verification.
 - c) According to the information and explanations given to us and the records examined by us, the Company doesn’t have any immovable property. Therefore, the provisions of clause (i) (c) of paragraph 3 of the Order are not applicable to the Company.
 - d) According to information and explanations given to us and books of account and records examined before us, the Company has not revalued its Property, Plant and Equipment or intangible assets during the period.
 - e) According to information and explanations given to us and as represented by the management, no proceedings have been initiated or are pending against the Company for holding any Benami Property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.
- ii.
 - a) As explained to us and on the basis of the records examined by us, in our opinion, physical verification of the inventories has been conducted by the management. As explained to us and on the basis of the records examined by us, the value of the discrepancies noticed on physical verification by management did not exceed 10% or more in aggregate of each class of inventory.
 - b) As per the information and explanations given to us and examination of books of account and other records produced before us, in our opinion quarterly returns or statements filed by the Company with banks or financial institutions pursuant to terms of sanction letters for working capital limits secured by current assets are in agreement with the books of account of the Company.



- iii. With respect to investments made in or any guarantee or security provided or any loans or advances in the nature of loans, secured or unsecured, granted during the year by the Company to Companies, Firms, Limited Liability Partnerships or any other parties:
- a) As per the information and explanations given to us and books of account and records produced before us, during the year Company has not provided any guarantee or security or has not granted any loans or advances in the nature of loan, secured or unsecured, to Companies, Firms, Limited Liability Partnerships or any other entities. Therefore, the provisions of clause (iii) (a), (c) to (f) of paragraph 3 of the Order are not applicable to the Company.
- b) In our opinion and according to information and explanations given to us and on the basis of our audit procedures, during the year, the investments made are, *prima facie*, not prejudicial to Company's interest
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of sections 185 & 186 of the Act as applicable, in respect of making investments during the period. During the period Company has not granted loans and not provided any guarantee and security.
- v. According to the information and explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits within the meaning of provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Therefore, the provisions of the clause (v) of paragraph 3 of the Order is not applicable to the Company.
- vi. According to information and explanation given to us, the Central Government has not prescribed the Cost Records to be maintained under section 148(1) of the Act in respect of activities carried out by the Company. Therefore, the clause (vi) of paragraph 3 of the Order is not applicable to the Company.
- vii. According to the information and explanations given to us in respect of statutory dues:
- a) The Company has been generally regular in depositing undisputed statutory dues, including Goods and Services Tax, provident fund, employees' state insurance, income-tax, duty of customs, duty of excise, cess and any other statutory dues to the appropriate authorities, as applicable. According to the information and explanations given to us, no undisputed amounts payable in respect of such statutory dues were outstanding as at March 31, 2025 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no statutory dues referred to in sub-clause (a) which have not been deposited with the appropriate authority on account of any dispute.
- viii. As it is the first financial period of the Company, the provisions of clause (viii) of paragraph 3 of the Order are not applicable to the Company.



- ix. a) In our opinion and according to the information and explanations given to us and books of account and records examined by us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender.
- b) In our opinion, and according to the information and explanations given to us, the Company has not been declared 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 and records produced before us, the money raised by way of term loans have been applied, *prima facie*, for the purpose for which they were obtained.
- d) According to the information and explanations given to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that, *prima facie*, no funds raised on short-term basis have been used during the period for long-term purposes by the Company.
- e) According to the information and explanations given to us, Company does not have any Subsidiaries, Joint Ventures or Associates Companies. Therefore, the clause (ix) (e) of paragraph 3 of the Order are not applicable to the Company.
- f) According to the information and explanations given to us, Company does not have any Subsidiaries, Joint Ventures or Associates Companies. Therefore, the clause (ix) (f) of paragraph 3 of the Order are not applicable to the Company.
- x. a) The Company has not raised money by way of initial public offer or further public offer (including debt instruments). Therefore, the clause (x) (a) of paragraph 3 of the Order is not applicable to the Company.
- b) During the period, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully or partly or optionally) and therefore, the provisions of the clause (x) (b) of paragraph 3 of the Order is not applicable to the Company.
- xi. a) Based on the audit procedures performed for the purpose of reporting the true and fair view of the Financial Statements and as per information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the period.
- b) According to the information and explanations given to us, no report under sub-section 12 of section 143 of the Act has been filed by auditors in Form ADT-4 as prescribed under Rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the period and upto the date of this report.
- c) As represented to us by the management, there are no whistle blower complaints received by the Company during the period.



- xii. In our opinion, the company is not a Nidhi Company. Therefore, the provisions of clause (xii) of paragraph 3 of the Order are not applicable to the company.
- xiii. In our opinion and according to information and explanation given to us, all the transactions with related parties are in compliance with section 177 and 188 of the Act, as applicable and their details have been disclosed in the Financial Statements etc; as required by the applicable Accounting Standards.
- xiv. In our opinion, and according to the information and explanations given to us, the Company does not have an internal audit system and is not required to have an internal audit system as per provisions of the Companies Act, 2013.
- xv. According to information and explanation given to us, the Company has not entered into non-cash transactions with directors or persons connected with them as referred under section 92 of the Act. Therefore, the provisions of clause (xv) of paragraph 3 of the Order are not applicable to the company.
- xvi. a) To the best of our knowledge and as explained, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.
- b) In our opinion, and according to the information and explanations provided to us and on the basis of our audit procedures, the Company has not conducted any Non-Banking Financial or Housing Finance activities during the period as per the Reserve bank of India Act 1934.
- c) In our opinion, and according to the information and explanations provided to us, the Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India.
- d) In our opinion, and according to the information and explanations provided to us, the Group does not have any Core Investment Company (CIC) as part of the Group contained in the Core Investment Companies (Reserve Bank) Directions, 2016. Therefore, provisions of clause (xvi) (d) of paragraph 3 of the Order are not applicable to the Company.
- xvii. In our opinion and according to information and explanation given to us, the Company has incurred cash losses of Rs. (202.73) Lakhs in the current Financial period and as this is the first financial period of the Company, reporting for the financial year is not applicable to the Company.
- xviii. There has been no resignation of Statutory Auditors during the period. Therefore, the clause (xviii) of paragraph 3 of the Order are not applicable to the Company.



- xix. According to the information and explanation 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 accompanying the Financial Statements, our knowledge of the Board of Directors and the management plans, financial support letter from Holding Company 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 auditor report that Company is not capable of meeting its liabilities existing as on the date of Balance sheet as and when they fall due within a period 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 auditor's report and we neither give any guarantee nor any assurance that all the liabilities falling due within a period 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 CSR provisions under section 135 of the Act are not applicable to the Company. Therefore, provisions of clause (xx) (a) and (b) of paragraph 3 of the Order are not applicable to the Company.

For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355

R. Pshah

Rupesh Shah
Partner
Membership No. 117964
UDIN No.: 25117964BMOOTL6789



Navi Mumbai
Date: April 28, 2025

“ANNEXURE B” TO THE INDEPENDENT AUDITOR’S REPORT

(Referred to in paragraph 2 (f) under “Report on Other Legal and Regulatory Requirements” of our report of even date to the members of MECHTECH THERMAL PRIVATE LIMITED on the Financial Statements for the period ended March 31, 2025)

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

We have audited the internal financial controls with reference to Financial Statements of **MECHTECH THERMAL PRIVATE LIMITED** as of March 31, 2025 in conjunction with our audit of the Financial Statements of the Company for the period ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s management is responsible for establishing and maintaining internal financial controls with reference to the Financial Statements based on the internal control criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over financial reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor’s Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls with reference to these Financial Statements based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards of Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects.

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 included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgment, including the assessment of the risks of material misstatement of the Financial Statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls with reference to financial statements.



Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the Financial Statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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 control with reference to financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls with reference to the Financial Statements and such internal financial controls with reference to the Financial Statements were operating effectively as at March 31, 2025 based on the criteria for internal control established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls issued by ICAI.

For **CHATURVEDI & SHAH LLP**
Chartered Accountants
Firm Reg. No. 101720W / W100355

R. P. Shah

Rupesh Shah
Partner
Membership No. 117964
UDIN No.: 25117964BMOOTL6789

Navi Mumbai
Date: April 28, 2025



MECHTECH THERMAL PRIVATE LIMITED
BALANCE SHEET AS AT 31ST MARCH, 2025

(Amount in Lakhs)

PARTICULARS	Note No.	As at 31st March, 2025
I ASSETS		
1) Non Current Assets		
a. Property, Plant and Equipment	2	121.31
b. Capital Work in Progress	2	125.27
c. Financial Assets		
i Investments	3	2.01
ii Other Financial Assets	4	45.66
d. Non Current Tax Assets	5	0.01
e. Deferred Tax Assets (Net)	5	-
f. Other Non Current Assets	6	1.05
2) Current Assets		
a. Inventories	7	26.23
b. Financial Assets		
i Trade Receivables	8	5.37
ii Cash and Cash Equivalents	9	13.93
iii Bank Balances other than (ii) above	10	20.16
iv Other Financial Assets	11	9.19
c. Other Current Assets	12	68.28
Total Assets		438.47
II EQUITY AND LIABILITIES		
Equity		
a. Equity Share Capital	13	10.00
b. Other Equity	14	(206.88)
		(196.88)
Liabilities		
1) Non Current Liabilities		
a. Financial Liabilities		
i Borrowings	15	209.78
b. Provisions	16	0.55
2) Current Liabilities		
a. Financial Liabilities		
i Borrowings	17	378.34
ii Trade Payables	18	
Total Outstanding dues of Micro enterprises and small enterprises		1.28
Total Outstanding dues of creditors other than Micro enterprises and small enterprises		0.65
iii Other Financial Liabilities	19	39.95
b. Other Current Liabilities	20	4.80
c. Provisions	21	0.00
		635.35
Total Equity and Liabilities		438.47
Material accounting policies	1	
Notes to the Financial Statements	2 to 38	

As per our Report of even date

For and on behalf of Board of Directors

For Chaturvedi & Shah LLP

Chartered Accountants

(Firm Registration No. 101720W/W100355)

Rupesh Shah

Partner

Membership No. 117964

Date: 28th April, 2025

Munjal Shah

Director

DIN: 01080863

Shilpa Mahajan

Director

DIN: 01087912

MECHTECH THERMAL PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE PERIOD ENDED 31ST MARCH, 2025

(Amount in Lakhs)

	Particulars	Note No.	For the Period ended 31st March, 2025
1	Revenue from Operations	22	23.29
2	Other Income	23	0.37
3	Total Income (1+2)		23.66
4	Expenses		
	Cost of Materials Consumed		4.01
	Purchase of Stock in Trade		2.94
	Employee Benefits Expense	24	77.95
	Finance Costs	25	33.01
	Depreciation	26	4.15
	Other Expenses	27	108.48
	Total Expenses		230.54
5	Loss Before Exceptional Items and Tax (3-4)		(206.88)
6	Exceptional Items		-
7	Loss Before Tax (5-6)		(206.88)
8	Tax Expenses :		
	a) Current Tax		-
	b) Deferred Tax	5	-
9	Loss for the Financial Period (7-8)		(206.88)
10	Other Comprehensive Income		
(i)	Items that will not be reclassified to profit or loss		-
(ii)	Items that will be reclassified to profit or loss		-
	Total Other Comprehensive Income (Net of Tax)		-
	Total Comprehensive Income for the Financial Period (9-10)		(206.88)
11	Earnings per Equity Share of Rs. 10/- each	28	
	Basic (Rs.)		(206.88)
	Diluted (Rs.)		(206.88)
	Material accounting policies	1	
	Notes to the financial statements	2 to 38	

As per our Report of even date

For and on behalf of Board of Directors

For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration No. 101720W/W100355)

R. Shah
Rupesh Shah
Partner
Membership No. 117964
Date: 28th April, 2025





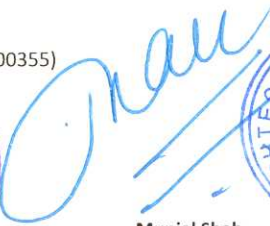


Munjal Shah

Munjal Shah
Director
DIN: 01080863



Shilpa Mahajan

Shilpa Mahajan
Director
DIN: 01087912

MECHTECH THERMAL PRIVATE LIMITED	
STATEMENT OF CASH FLOWS FOR THE PERIOD ENDED 31ST MARCH, 2025	
(Amount in Lakhs)	
PARTICULARS	For the Period ended 31st March, 2025
A CASH FLOW FROM OPERATING ACTIVITIES	
Loss before tax as per the Statement of Profit and Loss	(206.88)
ADJUSTMENT FOR:	
Depreciation and Amortisation Expense	4.15
Finance Costs	33.01
Interest Income	(0.37)
OPERATING LOSS BEFORE WORKING CAPITAL CHANGES	(170.09)
ADJUSTMENT FOR:	
Trade and Other Receivables	(83.04)
Inventories	(26.23)
Trade and Other Payables	17.85
CASH USED IN OPERATIONS	(261.51)
Income tax paid (net of refunds)	(0.01)
NET CASH USED IN OPERATING ACTIVITIES (A)	(261.52)
B CASH FLOW FROM INVESTING ACTIVITIES	
Purchase of Property, Plant and Equipment and Capital Work-in-Progress	(241.92)
Purchase of Non Current Investment	(2.01)
Interest Income	0.37
NET CASH USED IN INVESTING ACTIVITIES (B)	(243.56)
C CASH FLOW FROM FINANCING ACTIVITIES	
Proceeds from issue of Equity Share Capital	10.00
Intercompany Deposits received from holding Company	485.00
Intercompany Deposits repaid to holding Company	(165.00)
Proceeds from Non Current Borrowings	99.00
Current Borrowings	169.12
Finance Costs	(13.29)
Margin Money	(65.82)
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	519.01
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)	13.93
Cash and Cash Equivalents (Opening Balance)	-
Cash and Cash Equivalents (Closing Balance) (Refer Note No. 9.1)	13.93
Notes :	
Changes in liabilities arising from financing activities on account of Current Borrowings	
Particulars	March 31, 2025
Opening balance of liabilities arising from financing activities	-
Add : Changes from Cash Flow from Financing Activities (Net)	588.12
Closing balance of liabilities arising from financing activities	588.12
<p>i) The above Statement of Cash Flow has been prepared under the "Indirect Method" as set out in Ind AS-7 "Cash Flow Statement".</p> <p>ii) Figures in brackets indicate Outflows.</p>	
As per our Report of even date	For and on behalf of Board of Directors
For Chaturvedi & Shah LLP Chartered Accountants (Firm Registration No. 101720W/W100355)	
  Rupesh Shah Partner Membership No. 117964 Date: 28th April, 2025	  Munjal Shah Director DIN: 01080863
	 Shilpa Mahajan Director DIN: 01087912

MECHTECH THERMAL PRIVATE LIMITED
STATEMENT OF CHANGES IN EQUITY FOR THE PERIOD ENDED 31ST MARCH, 2025

A. Equity Share Capital

Particulars	(Amount in Lakhs)		
	Balance as at 11th January, 2024*	Changes during the Period	Balance as at 31st March, 2025
Equity Share Capital	-	10.00	10.00

* Date of incorporation of the Company

B. Other Equity

Particulars	(Amount in Lakhs)	
	Reserves and Surplus Retained Earnings	Total
Balance as at 11th January, 2024	-	-
Total Comprehensive Income for the Period	(206.88)	(206.88)
Balance as at 31st March, 2025	(206.88)	(206.88)

As per our Report of even date

For and on behalf of Board of Directors

For Chaturvedi & Shah LLP

Chartered Accountants

(Firm Registration No. 101720W/W100355)

R. Shah

Rupesh Shah

Partner

Membership No. 117964

Date: 28th April, 2025



Munjal

MUNJAL SHAH

Director

DIN: 01080863



Shilpa

Shilpa Mahajan

Director

DIN: 01087912

MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

NOTE 2 : PROPERTY, PLANT AND EQUIPMENT

(Amount in Lakhs)					
Particulars	Office Equipment	Plant and Machinery	Furniture and Fixture	Computers	Total
Balance as at 11th January, 2024	-	-	-	-	-
Additions during the period	13.97	102.69	5.43	3.37	125.46
Disposals / Adjustment	-	-	-	-	-
Balance as at 31st March, 2025	13.97	102.69	5.43	3.37	125.46
Depreciation					
Balance as at 11th January, 2024	-	-	-	-	-
Depreciation for the period	1.91	1.94	0.23	0.07	4.15
Balance as at 31st March, 2025	1.91	1.94	0.23	0.07	4.15
Net Carrying Value					
Balance as at 31st March, 2025	12.06	100.75	5.20	3.30	121.31

2.1 Property, Plant and Equipment include assets pledged / hypothecation as security (Refer note no. 15 and 17).

2.2 Capital Work In Progress Includes

(Amount in Lakhs)

Particulars	31st March, 2025
Leasehold Improvements in progress	36.67
Plant and Machinery	29.66
Furniture and Fixtures	25.61
Office Equipment	33.33
TOTAL	125.27

2.3 Capital Work In Progress ageing schedule as at 31st March, 2025 is as follows:

(Amount in Lakhs)

Particulars	Less than 1 Year	1-2 Years	1-2 Years	2-3 Years	More than 3 Years	Total
Project in progress	123.84	1.43	-	-	-	125.27
Project temporarily suspended	-	-	-	-	-	-
TOTAL	123.84	1.43	-	-	-	125.27



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

1.1 Corporate Information

Mechtech Thermal Private Limited (the 'Company') is a private limited Company domiciled and incorporated in India under the Indian Companies Act, 2013. The registered office of the Company is situated at 108/A, Survey No. 262 IDA, Phase-2, B N Reddy Nagar, Cherlapalli, Hyd, Hyderabad - 501301, Telangana.

The main object of the company is to offer design, development and validation of Thermal products specially for aviation, defence and space industries using advanced nano science, power, metallurgy, diffusion bonding techniques to optimise the space, weight to meet the advance thermal solutions.

The Financial Statements of the Company for the year ended 31st March, 2025 were approved and adopted by board of directors in their meeting held on 28th April, 2025.

1.2 Basis of preparation

The financial statements of the Company have been prepared in accordance with Indian Accounting Standards ('Ind AS') notified under Section 133 of the Companies Act, 2013 (the 'Act'), read together with the Companies (Indian Accounting Standards) Rules, as amended from time to time.

The Financial Statements have been prepared and presented on going concern basis .

These financial statements are presented in Indian Rupees, which is the company's functional and presentation currency. It is the first financial statements of the Company and it's first financial year starts from 11th January, 2024 (the incorporation date) and ends on 31st March, 2025 as per the Section 2(41) of the Act.

1.3 Material Accounting policies

(A) Property, Plant and Equipment

Property, plant and equipment are carried at its cost, net of recoverable taxes, trade discounts and rebate less accumulated depreciation and impairment losses, if any. Cost includes purchase price, borrowing cost, non refundable taxes or levies and directly attributable cost of bringing the asset to its working condition for its intended use. Expenditure related to plans, designs and drawings of buildings or plant and machinery is capitalized under relevant heads of property, plant and equipment if the recognition criteria are met. Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Property, Plant and Equipment are eliminated from financial statements, either on disposal or when retired from active use. Gains / losses arising in the case of retirement/disposal of Property, Plant and Equipment are recognised in the statement of profit and loss in the year of occurrence.

Capital work in progress and Capital advances:

Cost of assets not ready for intended use, as on the Balance Sheet date, is shown as capital work in progress. Advances given towards acquisition of property, plant and equipment outstanding at each Balance Sheet date are disclosed as Other Non-Current Assets.

Depreciation:

Depreciation on property, plant and equipment is provided using straight line method over the useful life of assets as prescribed under schedule II of Companies Act, 2013.

The asset's residual values, useful lives and method of depreciation are reviewed at each financial year end and are adjusted prospectively, if appropriate.

(B) Borrowing Costs:

Borrowing costs specifically relating to the acquisition or construction of qualifying assets that necessarily takes a substantial period of time to get ready for its intended use are capitalized (net of income on temporarily deployment of funds) as part of the cost of such assets. Borrowing costs consist of interest and other costs that the Company incurs in connection with the borrowing of funds. All other borrowing costs are expensed in the period in which they occur.

(C) Inventories:

Inventories are measured at lower of cost and net realisable value (NRV) after providing for obsolescence , if any. NRV is the estimate selling price in the ordinary course of business, less estimated costs of completion and estimate cost necessary to make the sale. Cost of Inventories comprises of cost of purchase, cost of conversion and other costs incurred in bringing them to their respective present location and condition. Cost of raw materials, stores & spares, packing materials are determined on weighted average basis.

(D) Financial Instruments:

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

Financial Assets -Initial recognition and measurement

All financial assets are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition of financial assets, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Financial assets are classified, at initial recognition, as financial assets measured at fair value or as financial assets measured at amortised cost. Purchase and sale of financial assets are recognized using trade date accounting. However, trade receivables that do not contain a significant financing component are measured at transaction price.



MECHTECH THERMAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Financial assets - Subsequent measurement

For the purpose of subsequent measurement financial assets are classified in two broad categories:-

- a) Financial assets at fair value
- b) Financial assets at amortised cost

Where assets are measured at fair value, gains and losses are either recognised entirely in the statement of profit and loss (i.e. fair value through profit and loss), or recognised in other comprehensive income (i.e. fair value through other comprehensive income).

A financial asset that meets the following two conditions is **measured at amortised cost** (net of any write down for impairment) unless the asset is designated at fair value through profit or loss under the fair value option.

a) **Business model test:** The objective of the Company's business model is to hold the financial asset to collect the contractual cash flow.

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

A financial asset that meets the following two conditions is measured at **fair value through other comprehensive income** unless the asset is designated at fair value through profit or loss under the fair value option.

a) **Business model test:** The financial asset is held within a business model whose objective is achieved by both collecting contractual cash flow and selling financial assets.

b) **Cash flow characteristics test:** The contractual terms of the financial asset give rise on specified dates to cash flow that are solely payments of principal and interest on the principal amount outstanding.

All other financial asset is measured at fair value through profit or loss.

Financial assets - Derecognition

A financial assets (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is primarily derecognised (i.e. removed from the Company's statement of financial position) when:

- a) The rights to receive cash flows from the asset have expired, or
- b) The Company has transferred its rights to receive cash flow from the asset.

Impairment of Financial Assets

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

- a) The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or
- b) Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company uses historical default rates to determine impairment loss on the portfolio of trade receivables. At every reporting date these historical default rates are reviewed and changes in the forward looking estimates are analysed.

For other assets, the Company uses 12 month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

Financial Liabilities - Initial recognition and measurement:

The financial Liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

Financial Liabilities - Subsequent measurement:

Financial Liabilities are subsequently carried at amortised cost using the effective interest method. For trade and other payables maturing within one year from the Balance Sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

Financial Liabilities - Financial guarantee contracts:

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

Financial liability - Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another, from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.



MECHTECH THERMAL PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

(E) Revenue Recognition and Other Income:

Sales of goods and services:

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 entitled in exchange for those goods or services. Generally, control is transfer upon shipment of goods to the customer or when the goods is made available to the customer, provided transfer of title to the customer occurs and the Company has not retained any significant risks of ownership or future obligations with respect to the goods shipped.

Revenue is measured at the amount of consideration which the company expects to be entitled to in exchange for transferring distinct goods or services to a customer as specified in the contract, excluding amounts collected on behalf of third parties (for example taxes and duties collected on behalf of the government). Consideration is generally due upon satisfaction of performance obligations and a receivable is recognized when it becomes unconditional.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

Interest Income:

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

(F) Employee Benefits:

Short term employee benefits are recognized as an expense in the statement of profit and loss of the year in which the related services are rendered. Contribution to Provident Fund, a defined contribution plan, is made in accordance with the statute, and is recognised as an expense in the year in which employees have rendered services.

The cost of providing gratuity, a defined benefit plans, is determined based on Projected Unit Credit Method, on the basis of actuarial valuations carried out by third party actuaries at each Balance Sheet date. Actuarial gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to other comprehensive income in the period in which they arise. Other costs are accounted in statement of profit and loss.

(G) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event. It is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect of the time value of money is material, provisions are discounted using equivalent period government securities interest rate. Unwinding of the discount is recognised in the statement of profit and loss as a finance cost. Provisions are reviewed at each Balance Sheet date and are adjusted to reflect the current best estimate.

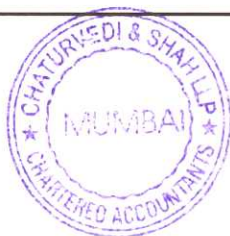
Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made. Information on contingent liability is disclosed in the Notes to the Financial Statements. Contingent assets are not recognised. However, when the realisation of income is virtually certain, then the related asset is no longer a contingent asset, but it is recognised as an asset.

1.4 Key accounting estimates and judgements

The preparation of the Company's financial statements requires the 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. 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 future periods.

a) Defined benefit obligation:

The cost of post-employment benefits is determined using actuarial valuations. The actuarial valuation involves making assumptions about discount rates, future salary increases, expected rate of return on assets and mortality rates. Due to the long term nature of these plans, such estimates are subject to significant uncertainty.



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note: 3 Non Current Investment

(Amount in Lakhs)			
PARTICULARS	Number of Shares as at 31st March, 2025	Face Value (In Rs.)	As at 31st March, 2025
(Unquoted, Fully Paid Up) Investment in Equity Instruments (Carried at fair value through Profit & Loss) NKGSB Co- Operative Bank Limited	20050	10	2.01
Total	20050		2.01

PARTICULARS		(Amount in Lakhs)
		As at 31st March, 2025
Aggregate Amount of Unquoted Investments		2.01
Aggregate Amount of Quoted Investments and Market Value		-
Investment Carried at fair value through Profit and Loss		2.01

Note: 4 Other Non Current Financial Assets

PARTICULARS		(Amount in Lakhs)
		As at 31st March, 2025
Fixed Deposit with Bank held as Margin Money		45.66
		45.66



MECHTECH THERMAL PRIVATE LTD LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note: 5 Income Tax

5.1 Current Tax Liability (Net)

(Amount in Lakhs)

Particulars	As at March 31, 2025
Opening Balance at the 11th January, 2024	-
Current Tax for the year including interest	-
Add: Tax Paid	0.01
Income tax of the earlier year	-
Total Current Tax Asset (Net)	0.01

5.2 Current Tax

(Amount in Lakhs)

Particulars	For the period ended 31st March, 2025
Current Tax	-
Deferred Tax	-
Total	-

5.3 Deferred Tax Assets relates to the following:

(Amount in Lakhs)

Particulars	Balance Sheet	Statement of Profit and Loss
	As at 31st March, 2025	As at 31st March, 2025
Property Plant and Equipment	(2.02)	(2.02)
Items Disallowed as per Income Tax Act, 1961	0.00	0.00
Unabsorbed Depreciation	3.39	3.39
Deferred Tax Assets	1.37	1.37

5.4 As at March 31, 2025, the Company has Net Deferred Tax Assets of Rs. 1.37 Lakhs. In the absence of virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized, the same has not been recognized in the books of account in line with Indian Accounting Standard 12 dealing with "Income Taxes".

5.5 Reconciliation of Deferred Tax Liabilities (Net):

(Amount in Lakhs)

Particulars	For the period ended 31st March, 2025
Opening Balance at the 11th January, 2024	-
Deferred Tax Income recognised in the Statement of Profit and Loss	-
Closing Balance at the end of the year	-



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note: 6 Other Non Current Assets

(Amount in Lakhs)

PARTICULARS	As at 31st March, 2025
Capital Advances	0.85
Security Deposits	0.20
Total	1.05

Note: 7 Inventories

(Amount in Lakhs)

PARTICULARS	As at 31st March, 2025
Raw Material	26.09
Stores, Spares and Consumables	0.14
Total	26.23

7.1 For inventories hypothecated as security refer Note no 17.

Note: 8 Trade Receivables

(Amount in Lakhs)

PARTICULARS	As at 31st March, 2025
(Unsecured) Considered Good	5.37
Total	5.37

8.1 For Hypothecated as security refer Note no 17.

8.2 Trade Receivables Ageing Schedule as at 31st March, 2025 is as below :-

As at 31st March, 2025

PARTICULARS	Not Due	Outstanding for following period from due date of payment					Total
		Less than 6 months	6 Months to 1 year	1-2 Years	2-3 years	More than 3 years	
Undisputed Trade receivables –considered good	1.38	3.99	-	-	-	-	5.37
Undisputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Undisputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Disputed Trade receivables –considered good	-	-	-	-	-	-	-
Disputed Trade Receivables – which have significant increase in credit risk	-	-	-	-	-	-	-
Disputed Trade Receivables – credit impaired	-	-	-	-	-	-	-
Total	1.38	3.99	-	-	-	-	5.37

Note: 9 Cash and Cash Equivalents

(Amount in Lakhs)

Particulars	As at 31st March, 2025
Cash In Hand	1.47
Balances with Bank In Current Account	12.46
Total	13.93

9.1 For the purpose of the Statement of Cash Flows, Cash and Cash Equivalents comprise the following:

(Amount in Lakhs)

Particulars	As at 31st March, 2025
Cash In Hand	1.47
Balances with Bank In Current Account	12.46
Total	13.93

Note: 10 Bank Balances Other Than Cash And Cash Equivalents

(Amount in Lakhs)

Particulars	As at 31st March, 2025
Fixed Deposits with Banks Pledged as Margin Money	20.16
Total	20.16

Note: 11 Others Current Financial Assets

(Amount in Lakhs)

Particulars	As at 31st March, 2025
Unsecured, Considered Good Security Deposits	9.19
Total	9.19

Note: 12 Other Current Assets

(Amount in Lakhs)

Particulars	As at 31st March, 2025
Advances to Suppliers, Considered Good	12.64
Balances with Government Authorities	55.14
Advances to Employees	0.50
Total	68.28



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note: 13 Equity Share Capital

		(Amount in Lakhs)
Particulars		As at 31st March, 2025
Authorised		
1,00,000 Equity Shares of Rs. 10/- each		10.00
		10.00
Issued, Subscribed and Paid up		
1,00,000 Equity Shares of Rs. 10/- each		10.00
Total		10.00

13.1 Reconciliation of the number of equity shares outstanding

(Amount in Lakhs)

Particulars	As at 31st March, 2025	
	No. of Shares	Amount
Number of shares at the beginning of the financial period	-	-
Add: Shares issued during the financial period	1,00,000	10.00
Number of shares at the end of financial period	1,00,000	10.00

13.2 Details of Shareholder, holding more than 5% shares of the Company:

Particulars	As at 31st March, 2025	
	No of Shares held	% Holding
Paras Defence & Space Technologies Limited (The Holding Company)	70,000	70%
Mr Anil Babu	30,000	30%

13.3 Details of shares held by promoters and promoter group in the Company.

Particulars	As at 31st March, 2025	
	No of Shares held	% Holding
Paras Defence & Space Technologies Limited (The Holding Company)	70,000	70%
Mr Anil Babu	30,000	30%

13.4 The Company has only one class of equity shares having a face value of Rs. 10/- per share. In the event of liquidation of the Company, the equity shareholder will be entitled to receive any of remaining assets of the Company, after distribution of all preferential amounts.

Note: 14 Other Equity

		(Amount in Lakhs)
Particulars		As at 31st March, 2025
Retained Earnings		
Balance as per last Balance Sheet		-
Add : Loss for the financial Period		(206.88)
Total		(206.88)

14.1 Nature And Purpose Of Reserves

Retained Earnings

Retained Earnings represent the loss made by the company.



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note: 15 Non Current Financial Liabilities - Borrowings		(Amount in Lakhs)
Particulars		As at 31st March, 2025
Secured :		
Term Loan From a Bank *		82.78
Unsecured		
Loans From a Related Parties (Refer note No. 15.3 and 30)		127.00
Total		209.78

* Net of Processing Fees of Rs. 1.00 Lakh

15.1 The above term loan of Rs. 83.78 lakhs and Rs. 16.22 lakhs included in current maturity of long Term Debts in Note No. 18 against lien on respective machineries and respective furniture and fixure and further secured by collateral mortgage of Fixed Deposit of Rs. 20.00 Lakhs and loan is payable in 60 monthly installments and ending on 28th March, 2030 and it carries the interest rate of 10% p.a.

15.2 Maturity profile of Term Loans is as under:

Financial Year	Amount
2025-26	16.22
2026-27	17.92
2027-28	19.78
2028-29	21.87
2029-30	24.21

15.3 Inter Corporate Deposit from holding Company is repayable on or before 31st March, 2027 and carries interest rate of 12% p.a .

Note: 16 Non Current Provisions		(Amount in Lakhs)
Statutory Liabilities		As at 31st March, 2025
Provision for Gratuity (Refer note No. 24.1)		0.55
Total		0.55

Note: 17 Current Financial Liabilities - Borrowings		(Amount in Lakhs)
Particulars		As at 31st March, 2025
Secured :		
Working Capital Rupee Loans from Banks (Refer Note 17.1)		63.12
Current Maturities of long term Debt		16.22
Unsecured		
Loans From Director (Refer Note No. 30)		45.00
Loan from Holding Company (Refer Note No. 17.3 and 30)		193.00
Loan from Others (Refer Note 17.4)		61.00
Total		378.34

17.1 The working capital loans from banks includes:
Rs. 63.12 lakhs is secured by way of hypothecation of stocks & book-debts and further secured by collateral mortgage of Fixed Deposit of Rs. 40.00 Lakhs. The above working capital carries interest rate @ ROI @PLR-6.75% i.e 10% p.a.

17.2 The Working Capital Rupee loans referred to above is guaranteed by Directors of the company

17.3 Inter Corporate Deposit from holding Company is repayable on or before 30th September, 2025 and carries interest rate of 12% p.a .

17.4 Inter Corporate Deposit from others is repayable on or before 30th June, 2025 and carries interest rate of 12% p.a .

17.5 Loan from Dircetor is repayable on demand and the same is interest free.



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH, 2025

Note: 18 Trade Payables

		(Amount in Lakhs)
Particulars		As at 31st March, 2025
Micro, Small and Medium Enterprises		1.28
Others		0.65
Total		1.93

18.1 Disclosures of the Micro, Small And Medium Enterprises Development Act, 2006

Micro, Small and Medium Enterprises under the Micro, Small and Medium Enterprises Development Act, 2006 have been determined based on the information as available with the Company and the required disclosures are given below :

		(Amount in Lakhs)
Particulars		As at 31st March, 2025
(i) Principal amount remaining unpaid to any supplier as at the end of the accounting period		1.28
(ii) Interest due thereon remaining unpaid to any supplier as at the end of the accounting period		0.01
(iii) The amount of Interest paid, along with the amounts of the payment made to the supplier beyond the appointed day		-
(iv) The amount of Interest due and payable for the year		-
(v) The amount of interest accrued and remaining unpaid at the end of the accounting year		0.01
(vi) The amount of Further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid		-

Trade Payables Ageing Schedules as at 31st March, 2025

						(Amount in Lakhs)
Particulars	Not Due	Outstanding for the following period from due date of payment				Total
		Less than 1 Year	1 - 2 Years	2 - 3 Years	More than 3 years	
MSME	0.56	0.72	-	-	-	1.28
Others	0.02	0.63	-	-	-	0.65
Disputed - MSME	-	-	-	-	-	-
Disputed - Others	-	-	-	-	-	-
Total	0.58	1.35	-	-	-	1.93

Note: 19 Other Current Financial Liabilities

		(Amount in Lakhs)
Particulars		As at 31st March, 2025
Interest Accrued but not due		19.71
Interest accrued and due		0.01
Creditors for Capital Goods		9.66
Other payables*		10.57
Total		39.95

* Other Payables mainly include payable to employees and provision of expenses.

Note: 20 Other Current Liabilities

		(Amount in Lakhs)
Particulars		As at 31st March, 2025
Statutory Liabilities		4.80
Total		4.80

Note: 21 Current Provision

		(Amount in Lakhs)
Particulars		As at 31st March, 2025
Provision for Gratuity - Rs. 363 (Refer note No. 24.1)		0.00
Total		0.00



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2025

Note 22 : Revenue From Operations

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
Sale of Product	20.33
Sale of Service	2.96
TOTAL	23.29

22.1 Revenue disaggregation by geography is as follows:

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
India	23.29
Outside India	-
TOTAL	23.29

22.2 Reconciliation of Revenue from Operations with Contract Price:

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
Contract Price	23.29
Total	23.29

Note 23 : Other Income

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
Interest Income from Financial assets measured at amortised cost	
- Fixed Deposits with Banks	0.37
Balances Written Back (Rs. 81)	0.00
TOTAL	0.37



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2025

Note 24 : Employee Benefits Expense

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
Salaries, Wages & Allowances	74.65
Contribution to Provident and Other Funds	1.36
Welfare and Other Amenities	1.94
TOTAL	77.95

24.1 As per Ind AS - 19 "Employee Benefits", the disclosures of Employee Benefits as defined in the Ind AS are given below :

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
(a) Contribution to Defined Contribution Plan, recognised as expense for the year are as under Employer's Contribution to Provident Fund and ESIC	0.81
TOTAL	0.81

(b) Defined Benefit Plan - Unfunded

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

(Amount in Lakhs)	
Particulars	Gratuity (Unfunded) As at 31st March, 2025
Actuarial Assumptions	
Mortality Table	Indian Assured Lives Mortality (2012-14) Ultimate
Salary growth	9.00%
Discount rate	6.73%
Withdrawal Rate	15.00%

(Amount in Lakhs)	
Particulars	Gratuity (Unfunded) As at 31st March, 2025
Movement in present value of Defined Benefit Obligation	
Defined Benefit Obligations at the beginning of the period	-
Current Service Cost	0.55
Defined Benefit Obligations at the end of the period	0.55
Expense recognised in the Statement of Profit and Loss	
Current Service Cost	0.55
Total included in "Remuneration and Benefits to Employees"	0.55



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2025

(c) Net Liability recognised in balance sheet

(Amount in Lakhs)	
Particulars	Gratuity (Unfunded) As at 31st March, 2025
Present Value of Obligations at the end of the year	0.55
Less : Fair Value of Plan Assets at the end of the year	-
Net Liability recognised in balance sheet	0.55

(e) The estimate of rate of escalation in Salary considered in actuarial valuation, takes into account inflation, seniority, promotion and other retirement factors including supply and demand in the employment market. The above information is certified by the actuary.

24.2 Sensitivity Analysis

(Amount in Lakhs)	
Particulars	As at 31st March, 2025
	Effect on Gratuity Obligation Increase / (Decrease)
Discount Rate + 100 basis points	(0.04)
Discount Rate - 100 basis points	0.05
Salary Escalation Rate + 100 basis points	0.05
Salary Escalation Rate - 100 basis points	(0.04)
Withdrawal Rate+100 basis points	(0.03)
Withdrawal Rate-100 basis points	0.03

The above sensitivity analysis is based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. In presenting the above sensitivity analysis, the present value of defined benefit obligation has been calculated using the Projected Unit Credit method at the end of reporting period, which is the same as that applied in calculating the defined obligation liability recognized in the balance sheet.

24.3 Expected payments towards contributions to Gratuity in future years :

(Amount in Lakhs)	
Year Ended	Expected Payment
31st March, 2026 (Rs. 363)	0.00
31st March, 2027 (Rs. 357)	0.00
31st March, 2028 (Rs. 351)	0.00
31st March, 2029 (Rs. 346)	0.00
31st March, 2030	0.10
31st March, 2031	0.38
31st March, 2032 and above	0.58



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2025

24.4 Risk exposures

These plans typically expose the company to actuarial risks as Salary Risk, Discount Rate, Employee Turnover rate/Withdrawal rate and Mortality / Disability.

Salary Risk

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

Discount rate

In case the yield on the government bonds drops in the future period then it may result in increase in the liability.

Employee Turnover rate/Withdrawal rate

If the actual withdrawal rate in the future turns out to be more or less than expected then it may result in increase in the liability.

Mortality / Disability

Maturity Analysis of Benefit Payments is undiscounted cash flows considering future salary, attrition & death in respective year for members as mentioned above.

24.5 The average duration of the defined benefit plan obligation at the end of the reporting period is 10 years.

Note 25: Finance Costs

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
Interest Expenses on Financial Liabilities measured at amortised cost	28.35
Other Borrowing Costs	4.66
TOTAL	33.01

Note 26: Depreciation And Amortisation Expenses

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
Depreciation of Property, Plant and Equipment (Refer Note No. 2)	4.15
TOTAL	4.15



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2025

Note 27 : Other Expenses

(Amount in Lakhs)	
Particulars	For the Period ended 31st March, 2025
Manufacturing Expenses	
Cost of Consumables	3.12
Job Processing Charges	2.30
Power and Fuel	18.72
Repairs and Maintenance - Others	4.15
Other Manufacturing Expenses	7.37
	35.66
Selling & Distribution Expenses	
Research and development expenses	2.38
Packing Charges	0.07
	2.45
Administrative Expenses	
Insurance Charges	0.43
Rent	46.34
Rates and Tax	3.23
Printing & Stationery	0.61
Communication Expenses	0.09
Travelling And Conveyance	3.83
Legal & Professional fees	0.79
Payment to Auditors (Refer note No. 27.1)	1.90
Security Gaurd Exp	4.41
Postage & Courier	0.19
Office Expenses	5.53
Miscellaneous Expenses	2.55
	69.90
Other Expenses	
Bank Charges	0.47
	0.47
TOTAL	108.48

Note: 27.1 Break-up of Payment to Auditors :

(Amount in Lakhs)	
PARTICULARS	For the Period ended 31st March, 2025
Payments to the auditor as:	
For Statutory Audit	1.00
For Quarterly Review Fees	0.90
TOTAL	1.90



MECHTECH THERMAL PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD ENDED 31ST MARCH 2025

Note : 28 Earnings Per Share

Particulars	For the Period ended 31st March, 2025
Basic Earnings Per Share	
Loss for the Period	(206.88)
Weighted average number of Equity Shares (Nos.)	1,00,000
Basic Earnings Per Share of Rs.10/- each	(206.88)
Diluted Earnings Per Share	
Amount available for calculation of Diluted EPS	(206.88)
Weighted average number of Equity Shares (Nos.)	1,00,000
Add : Potential number of Equity Shares (Nos.)	-
No. of shares used for calculation of Diluted EPS (Nos.)	1,00,000
Diluted Earnings Per Share of Rs.10/- each	(206.88)



Note 29 : Contingent Liabilities

(Amount in Lakhs)	
Particulars	As at 31st March, 2025
(A) Contingent liabilities and commitments (to the extent not provided for)	
Claims against the company not acknowledged as debt	
(i) Guarantees	
Guarantees given by the Company's Bankers	5.45
(Bank guarantees are provided under contractual / legal obligation)	
(B) Capital Commitments :	
Estimated amount of contracts to be executed on capital account not provided for	6.85

Note 30 : Related Party Disclosure

In accordance with the requirements of Ind AS 24, on related party disclosures, name of the related party, related party relationship, transactions and outstanding balances including commitments where control exists and with whom transactions have taken place during reported periods, are as detailed below:

List of Related Parties :

(As certified by the Management)

I. Holding Company

Paras defence & Space Technologies Limited (w.e.f. 11th January, 2024)

II. Key Management Personnel

Munjal Sharad Shah

Shilpa Amit Mahajan

Anil Babu

A) Transactions with the related parties

(Amount in Lakhs)		
Nature of Transactions	Name of the Related Parties	From 11th January, 2024 to 31st March, 2025
Transactions with Holding Company:		
Equity Shares Issued	Paras Defence and Space	7.00
Lease Rent Expenses		43.50
Lease Rent Security Deposit paid		9.00
Inter corporate deposits Taken		485.00
Inter corporate deposits Repaid		165.00
Interest Expenses		28.06
Sale of Goods		10.53
Purchase of Goods		0.80
Transactions with other Related Parties:		
Equity Shares Issued	Anil Babu	3.00
Managerial Remuneration		17.92
Loan Taken from Director	Munjal Sharad Shah	45.00

B) Balances with Related parties

(Amount in Lakhs)		
Name of the Related Parties		As at 31st March, 2025
Balances with Holding Company		
Equity Share Capital	Paras Defence and Space Technologies Limited	7.00
Inter Corporate Deposits Balance		320.00
Interest payable - Other Current Financial Liabilities		19.54
Security Deposit - Others Current Financial Assets		9.00
Balance with other Related Parties:		
Equity Share Capital	Anil Babu	3.00
Current-Borrowings - Loan from director	Munjal Sharad Shah	45.00



Note 31: Fair values

31.1 Financial Instruments by category:

Set out below is a comparison by class of the carrying amounts and fair value of the Company's financial assets and liabilities that are recognised in the Financial Statements.

a) Financial Assets / Liabilities measured at Fair Value:-

Particulars	(Amount in Lakhs)
	As at 31st March, 2025
Financial Assets designated at Fair Value through profit and loss:-	
- Investments	2.01

b) Financial Assets / Liabilities designated at Amortised Cost:-

Particulars	(Amount in Lakhs)	
	As at 31-03-2025	
	Carrying Value	Fair Value
Financial Assets :		
Financial Assets designated at Amortised Cost:-		
Trade Receivables	5.37	5.37
Cash & Cash equivalents	13.93	13.93
Bank Balance other than Cash and Cash Equivalents	20.16	20.16
Loans	-	-
Other Financial Assets	54.85	54.85
Total	94.31	94.31
Financial Liabilities :		
Financial Liabilities designated at Amortised Cost:-		
Borrowings	588.12	588.12
Trade Payable	1.93	1.93
Other Financial Liabilities	39.95	39.95
Total	630.00	630.00

31.2 Fair Valuation techniques used to determine Fair Value

The Company maintains procedures to value its financial assets or financial liabilities using the best and most relevant data available. The Fair Values of the financial assets and liabilities are included at the amount that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following methods and assumptions were used to estimate the Fair Values:

- i) Fair Value of Cash and Cash Equivalents, Other Bank Balances, Trade Receivable, Trade Payables, Current Borrowings and other Current Financial Assets and Liabilities are approximate at their carrying amounts largely due to the short-term maturities of these instruments.
- ii) The fair values of Non-Current Borrowings and Margin money are approximate at their carrying amount due to interest bearing features of these instruments.
- iii) The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

31.3 Fair Value Hierarchy

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation techniques:-

- i) Level 1 :- Quoted prices / published Net Assets Value (unadjusted) in active markets for identical assets or liabilities. It includes fair value of financial instruments traded in active markets and are based on quoted market prices at the Balance Sheet date and financial instruments like mutual funds for which Net Assets Value is published by mutual fund operators at the Balance Sheet date.
- ii) Level 2 :- Inputs other than quoted prices included within level 1 that are observable for the asset or liability either directly (that is, as prices) or indirectly (that is, derived from prices). It includes fair value of the financial instruments that are not traded in an active market (for example, over-the-counter derivatives) is determined by using valuation techniques. These valuation techniques maximise the use of observable market data where it is available and rely as little as possible on the Company specific estimates. If all significant inputs required to fair value an instrument are observable then instrument is included in level 2.
- iii) Level 3 :- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs). If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

The following table provides hierarchy of the fair value measurement of Company's asset and liabilities, grouped into Level 1 (Quoted prices in active markets), Level 2 (Significant observable inputs) and Level 3 (Significant unobservable inputs) as described below:

Particulars	As at 31st March, 2025		
	Level 1	Level 2	Level 3
Financial Assets			
Financial Assets designated at Fair Value through profit and loss:-			
Investments in Equity of Co-operative Bank			#2.01

since the investments under level 3 of the fair value hierarchy as at 31st March, 2025 are not material, therefore the disclosure for the same is not given.



Note 32 : Financial Risk Management

The Company is exposed to market risk, credit risk, liquidity risk and competition and price risk. Risk management is carried out by the company under policies approved by the Board of Directors. This Risk management plan defines how risks associated with the Company will be identified, analysed and managed. It outlines how risk management activities will be performed, recorded and monitored by the Company. The basic objective of risk management plan is to implement an integrated risk management approach to ensure all significant areas of risks are identified, understood and effectively managed to promote a shared vision of risk management and encourage discussion on risks at all levels of the organization to provide a clear understanding of risk / benefit trade-offs, to deploy appropriate risk management methodologies and tools for use in identifying, assessing, managing and reporting on risks and to determine the appropriate balance between cost and control of risk and deploy appropriate resources to manage/optimize key risks. Activities are developed to provide feedback to management and other interested parties (e.g. Audit committee, Board etc.). The results of these activities ensure that risk management plan is effective in the long term.

32.1 Market Risk and Sensitivity:

Market risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise interest rate risk. Financial instruments affected by market risk include loans, borrowings, deposits and investments.

Interest Rate Risk and Sensitivity :-

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company is having non current borrowings in the form of term loans and current borrowings in the form of working capital. Inter corporate deposits and loan from director. There is a fixed rate of interest in case of vehicle loans and inter corporate deposits and hence, there is no interest rate risk associated with these borrowings. Further, the loan from director is interest free. The Company is exposed to interest rate risk associated with working capital facility due to floating rate of interest.

Particulars	As at 31st March, 2025
Term Loan From Banks	100.00
Working Capital Facility	63.12
Closing Balances	163.12

The table below illustrates the impact of a 2% increase / decrease in interest rates on interest on financial liabilities assuming that the changes occur at the reporting date and has been calculated based on risk exposure outstanding as of date. The year end balances are not necessarily representative of the average debt outstanding during the year.

Particulars	11th January, 2024 to 31st March, 2025	
	2% increase- Profit/(Loss)	2% decrease- Profit/(Loss)
Term Loan From Banks	(2.00)	2.00
Working Capital Facility	(1.26)	1.26
(Decrease) / Increase in Profit Before Tax	(3.26)	3.26

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

32.2 Credit Risk

Credit risk is the risk that a counter party will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks and other financial instruments.

Financial Instruments and Cash Deposits:-

The Company considers factors such as track record, size of the institution, market reputation and service standards to select the banks with which balances are maintained. The Company does not maintain significant cash in hand. Excess balance of cash other than those required for its day to day operations is deposited into the bank.

For other financial instruments, the finance department assesses and manage credit risk based on internal assessment. Internal assessment is performed for each class of financial instrument with different characteristics.

32.3 Liquidity Risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to at all times, maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company relies on short term borrowings and operating cash flows in the form of working capital to meet its need for fund. The Company has access to a sufficient variety of sources of funding as per requirements.

The below table summarizes the maturity profile of the Company's financial liability.

Particulars	(Amount in Lakhs)				
	On Demand	Less than 1 Year	1 to 5 Years	More than 5 years	Total
As at 31st March, 2025					
Non Current Borrowings (including current maturities)	-	16.22	210.78	-	227.00
Current Borrowings	108.12	254.00	-	-	362.12
Trade Payable	-	1.93	-	-	1.93
Other Financial Liabilities	-	39.95	-	-	39.95
Total	108.12	312.10	210.78	-	631.00



Note 33 : Capital Risk Management

For the purpose of Company's capital management, capital includes issued capital, all other equity reserves and net debts. The primary objective of the Company's capital management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital. The company includes within net debt, borrowings less cash and cash equivalents and Fixed Deposits. The capital structure of the company consist of equity share capital, other equity and net debt.

Gearing Ratio

The gearing ratio at the period end was as follows :

(Amount in Lakhs)	
Particulars	As at March 31, 2025
Total Debt	588.12
Less: Cash and cash equivalent	13.93
Less: Fixed Deposits	60.19
Net Debt	514.00
Equity	(196.88)
Total Capital (Equity + Net Debts)	317.12
Net debt to equity ratio (times)	1.62

Note : 34 The quarterly statements of current assets filed by the Company with banks/ financial institutions are in agreement with the books of accounts. Summary of reconciliation of quarterly statements of current assets filed by the Company with Banks are as below :-

(Amount in Lakhs)				
Particulars of Securities provided	For the quarter ended	Amount as per books of account	Amount as reported in the Statement	Amount of difference
Inventories & Trade Receivables	31-03-2025	31.60	31.60	-
Inventories & Trade Receivables*	31-12-2024	NA	NA	NA
Inventories & Trade Receivables *	30-09-2024	NA	NA	NA
Inventories & Trade Receivables*	30-06-2024	NA	NA	NA
Inventories & Trade Receivables*	31-03-2024	NA	NA	NA

* No drawing power limits from the period March ,2024 till 18th March, 2025

Note: 35 Ratio Analysis and its Components

Sr. No.	Particulars	Numerator	Denominator	As at March 31, 2025
i)	Current ratio	Current Assets	Current Liabilities	0.34
ii)	Debt equity ratio	Total Debt	Total Equity (Equity Share capital + Other equity)	(2.99)
iii)	Debt Service Coverage Ratio	Earnings available for debt service (Net profit after taxes + depreciation & amortization + Finance cost + Non cash operating items + other adjustment)	Finance cost + principle repayment of long term borrowings during the period/year	(5.14)
iv)	Return on equity ratio	Net profit after tax	Average Total Equity [(Opening Total Equity + Closing Total Equity)/2]	(1.05)
v)	Inventory Turnover ratio	Revenue from Operations	Average Inventory [(opening balance+ closing balance)/2]	0.89
vi)	Trade receivables turnover ratio	Revenue from Operations	Average trade receivable [(opening balance+ closing balance)/2]	4.34
vii)	Trade payables turnover ratio	Cost of Materials Consumed	Average trade payable [(opening balance+ closing balance)/2]	3.60
viii)	Net capital turnover ratio	Revenue from Operations	Working capital [(Current asset - Investments) - current liabilities]	(0.08)
ix)	Net profit ratio	Net Profit after tax	Revenue from Operations	(8.88)
x)	Return on capital employed	Profit Before interest & Tax	Total Equity + Total Debts + Deferred Tax Liability	(0.44)
xi)	Return on investment	Interest Income on fixed deposits + Profit on sale of investments + Income of investment - impairment on value of investment	Current investments + Non current Investments + Fixed deposits with bank	0.01



Note . 36 Other Statutory Information

- (i) There are no balances outstanding on account of any transaction with companies strike off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.
- (ii) The Company has not traded or invested in Crypto currency or Virtual Currency during the financial year.
- (iii) The Company does not have any such transaction which is not recorded in the books of account surrendered or disclosed as income during the year in the tax assessments under the Income-tax act, 1961.
- (iv) No proceeding has been initiated or pending against the Company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- (v) The Company is not declared wilful defaulter by any bank or financial institution or other lender.
- (vi) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.
- (vii) The Company has not received any fund from any person(s) or entity(s), including entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or (b) Provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- (viii) There is no charge or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

Note 37: Segment Reporting

The Company is predominantly in the business to offer design, development and validation of Thermal products specially for aviation, defence and space industries using advanced nano science, power, metallurgy, diffusion bonding techniques to optimise the space, weight to meet the advance thermal solutions.

37.1 Revenue from operations Rs. 18.49 Lakhs from 3 customers having more than 10% of the Total revenue.

Note 38: The Management and authorities have the power to amend the Financial Statements in accordance with section 130 And 131 of the Companies Act,

As per our Report of even date
For Chaturvedi & Shah LLP
Chartered Accountants
(Firm Registration No. 101720W/W100355)

R. P. Shah
Rupesh Shah
Partner
Membership No. 117964
Date: 28th April, 2025



For and on behalf of Board of Directors

Munjil Shah
MUNJAL SHAH
Director
DIN: 01080863



Shilpa Mahajan
Shilpa Mahajan
Director
DIN: 01087912