

**Pace Digitek Limited**

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

**Regd. Office:** Plot No. V-12, Industrial Estate,  
Kumbalgodu, Mysore Highway, Bangalore - 560 074.

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**CIN-L31909KA2007PLC041949**

**Ref No: PDL/2026-27/Q02\_39**

**Date: August 27, 2026**

|                                                                                                                            |                                                                                                                                                                      |
|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>BSE Limited</b><br>Phiroze Jeejeebhoy Towers<br>Dalal Street, Fort<br>Mumbai – 400001<br><br><b>Scrip Code – 544550</b> | <b>National Stock Exchange of India Ltd</b><br>Exchange Plaza, C-1, Block G<br>Bandra Kurla Complex, Bandra (E)<br>Mumbai – 400051<br><br><b>Symbol – PACEDIGITK</b> |
|----------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|

Dear Sir/Madam,

**Sub: Integrated Annual Report for the Financial Year 2025-26**

Pursuant to **Regulations 34(1) of the of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015** (Listing Regulations), as amended, please find enclosed herewith the Integrated Annual Report of the Company for Financial Year 2025-26 along with the Notice of the 19<sup>th</sup> Annual General Meeting (“AGM”) and other Statutory Reports.

The said Integrated Annual Report is being sent through electronic mode to the Members whose email addresses are registered with the Company/ Registrar to an Issue and Share Transfer Agent/ Depositories/ Depository Participants.

In addition, pursuant to Regulation 36(1)(b) of the Listing Regulations, a letter is also being sent to the Members whose email addresses are not registered, stating the web-link where the Annual Report is uploaded on website. The Integrated Annual Report is also available on the Company’s website at <https://www.pacedigitek.com/pdf/Financials/AnnualReportFY25-26.pdf> .

This is for your information and records.

Thank you.

Your faithfully,

**For Pace Digitek Limited**

*[Formerly known as Pace Digitek Private Limited  
and Pace Digitek Infra Private Limited]*

Meghana  
Manchaiah  
Purushotham  
Digitally signed by  
Meghana Manchaiah  
Purushotham  
Date: 2026.08.27 22:36:02  
+05'30'

**Meghana M P**

**Company Secretary and Compliance Officer**

**Membership No: A42534**

**Add:** Plot No. V-12, Industrial Estate, Kumbalgodu,  
Bangalore-Mysore Highway, Bangalore - 560 074.

**Encl. As above**



# Product-Driven. Execution-Led Expansion-Ready.

Annual Report 2025 - 26

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



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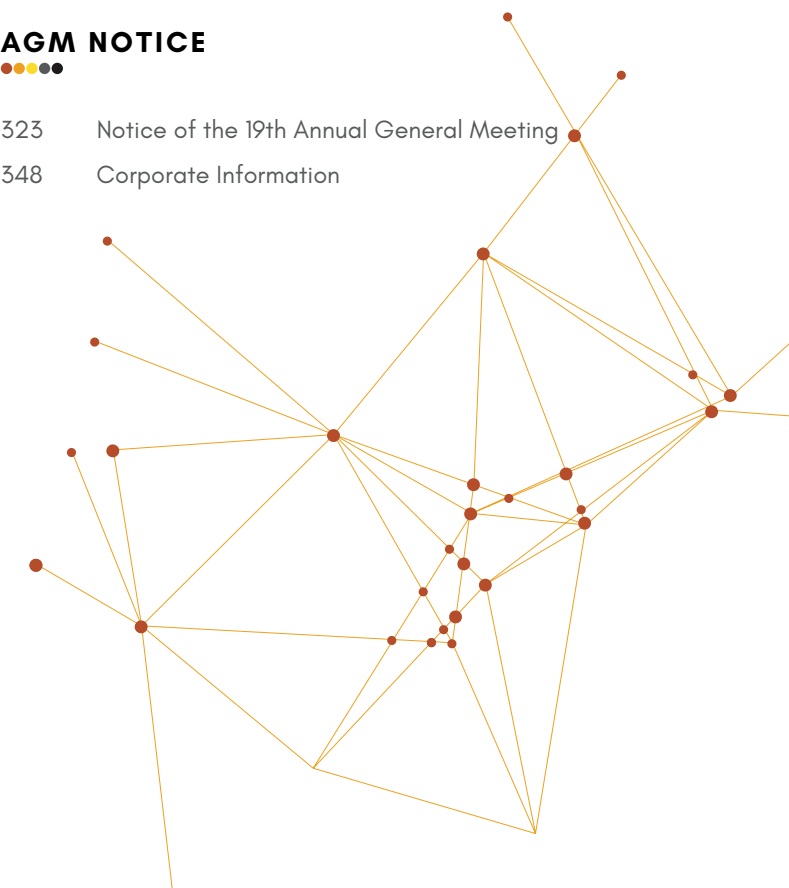
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company



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[www.pacedigitek.com](http://www.pacedigitek.com)  
Investor-relations | Financials

### Disclaimer

The contents of Annual Report with regard to the business section are for information purposes only and it contains general background information about the Company's activities. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent development, information, or events, or otherwise. This Annual Report comprises information given in summary form and does not purport to be complete. The contents of Annual Report should not be considered as a recommendation to any investor to purchase the equity shares of the Company. These contents include statements that are, or may be deemed to be, "forward-looking statements". By their nature, forward-looking statements involve risks and uncertainties because they relate to events, and depend on circumstances, that may or may not occur in the future. Forward-looking statements are not guarantees of future performance including those relating to general business plans and strategy of the Company, its future financial condition and growth prospects, and future developments in its businesses and its competitive and regulatory environment. No representation, warranty or undertaking, express or implied, is made or assurance given that such statements, views, projections or forecasts, if any, are correct or that the objectives of the Company will be achieved. The past performance is not indicative of future results. This document has not been and will not be reviewed or approved by the statutory auditors or a regulatory authority in India or by any stock exchange in India. To ensure conciseness and avoid repetition, certain information relevant to multiple sections of this Annual Report has been disclosed only in the most appropriate section. Stakeholders are advised to refer to the complete Report for a comprehensive understanding of all disclosures made.

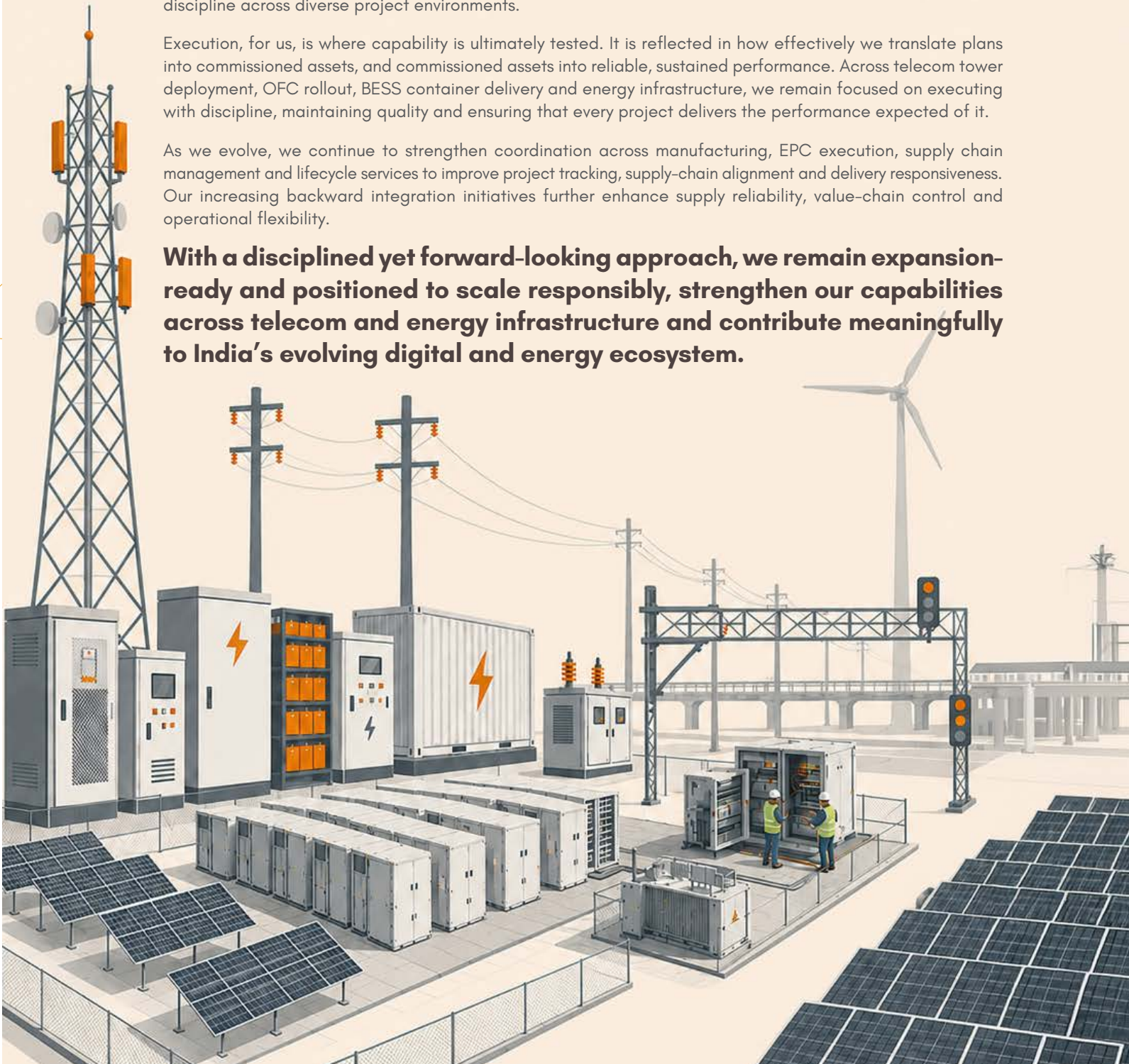
At Pace Digitek Limited, operational excellence is embedded into every facet of our operations. Our integrated value chain spans the entire project lifecycle, from design and engineering, product development and manufacturing to EPC execution and Operations & Maintenance (O&M). This breadth of capabilities enables us to deliver integrated solutions with greater control, coordination and execution efficiency across the Telecom & ICT and Energy sectors. Backed by meticulous planning and disciplined execution and integrated manufacturing capabilities, our processes optimise resources, minimise downtime and consistently deliver high-quality infrastructure solutions.

True efficiency is realised through sustained execution, coordinated delivery across product development, manufacturing and infrastructure operations. This is reflected in our ability to expand manufacturing capacity, execute large-format telecom and energy projects and commission BESS systems while maintaining operational discipline across diverse project environments.

Execution, for us, is where capability is ultimately tested. It is reflected in how effectively we translate plans into commissioned assets, and commissioned assets into reliable, sustained performance. Across telecom tower deployment, OFC rollout, BESS container delivery and energy infrastructure, we remain focused on executing with discipline, maintaining quality and ensuring that every project delivers the performance expected of it.

As we evolve, we continue to strengthen coordination across manufacturing, EPC execution, supply chain management and lifecycle services to improve project tracking, supply-chain alignment and delivery responsiveness. Our increasing backward integration initiatives further enhance supply reliability, value-chain control and operational flexibility.

With a disciplined yet forward-looking approach, we remain expansion-ready and positioned to scale responsibly, strengthen our capabilities across telecom and energy infrastructure and contribute meaningfully to India's evolving digital and energy ecosystem.





## About Pace Digitek Limited

# Enabling a Smarter, More Connected Tomorrow

Since 2007, we have built a strong track record rooted in innovation and commitment.

From our modest beginnings, we have grown into an integrated telecom and energy infrastructure solutions provider, delivering end-to-end services across telecom power systems, optical fibre networks and energy solutions.

Our services enable large-scale telecom connectivity and renewable energy infrastructure through in-house manufacturing, EPC execution and long-term operational support capabilities.

**18+**  
Years of Experience

**₹ 113,379 million**  
Order Book

**₹ 26,413 million**  
FY26 Revenue

**2.5 → 10 GWh**  
BESS Capacity

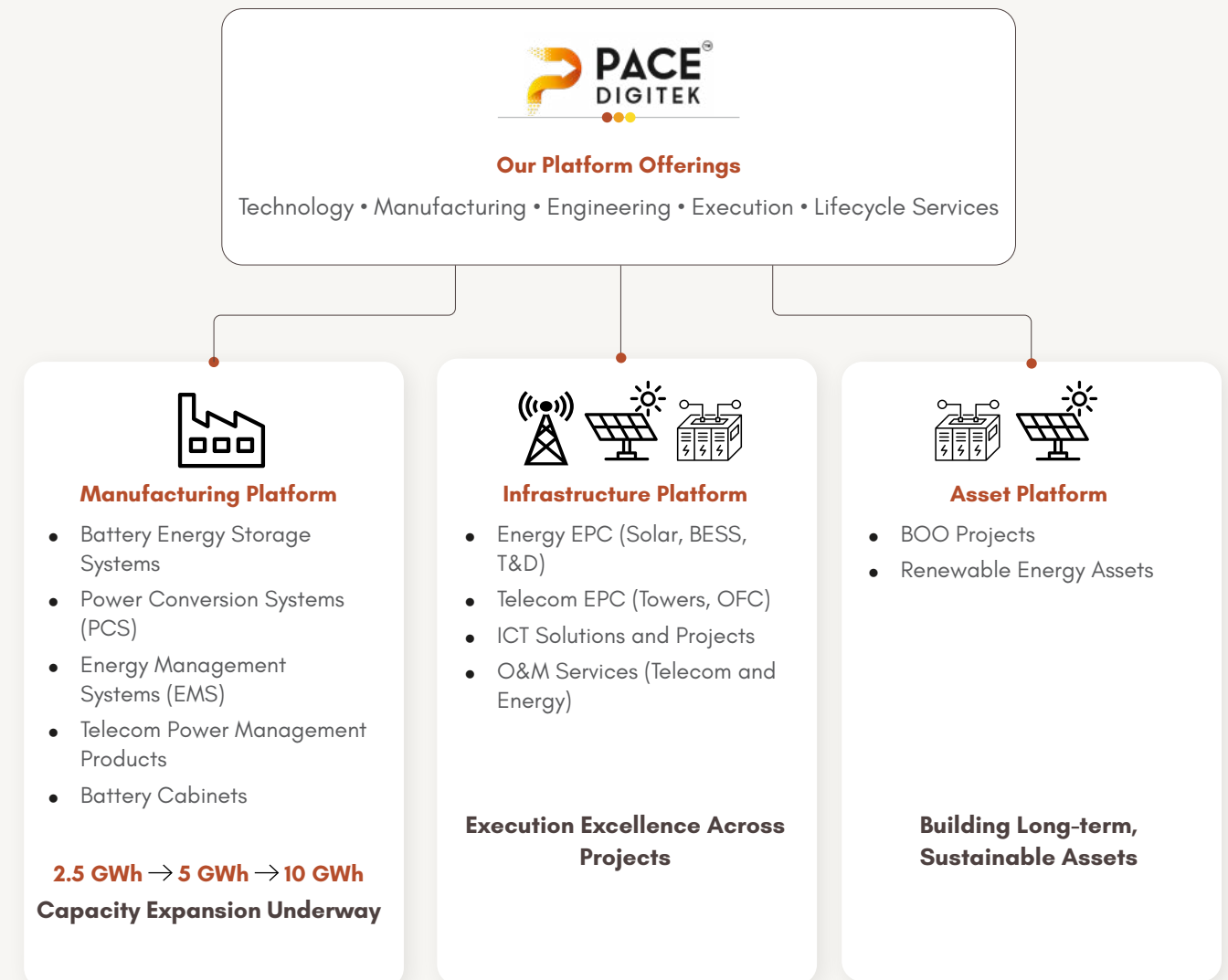
**2,700 +**  
Employees

**Pan India Presence**



## Integrated Business Platform

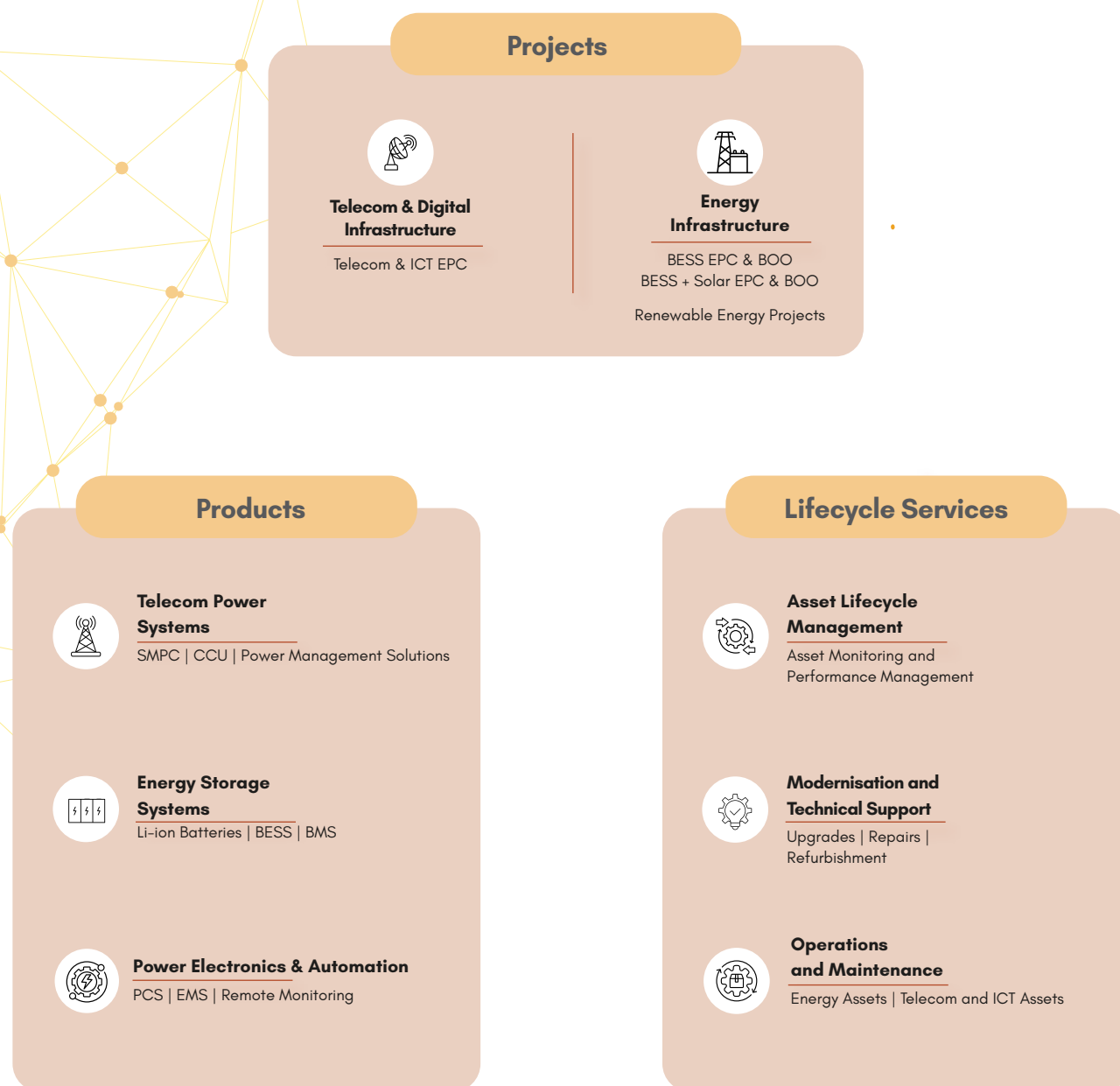
We operate a diversified platform spanning Telecom Infrastructure, Energy Solutions and Renewable Asset Developments, enabling us to deliver execution-focused and scalable infrastructure solutions across evolving industry requirements.



## Creating Value across Infrastructure Lifecycle



## Comprehensive Capabilities Across the Value Chain



## What Differentiates Us

### Integrated Business Model

End-to-end capabilities spanning manufacturing, EPC execution, system integration and O&M across telecom and energy infrastructure segments.

### Strong Execution Expertise

Proven project execution capabilities across telecom networks, optical fibre infrastructure, energy solutions systems and smart infrastructure projects with focus on timely delivery and execution reliability.

### Customer-Centric Operations

Customised and application-focused solutions designed to address evolving customer requirements across telecom, energy and digital infrastructure ecosystems.

### In-house Manufacturing Capabilities

Strong manufacturing backbone supporting telecom power systems and BESS, enabling better quality control, production consistency and supply chain reliability.

### Lifecycle O&M Services

Comprehensive O&M capabilities supporting long-term infrastructure performance, operational continuity and customer engagement.

### Integrated Energy Solutions

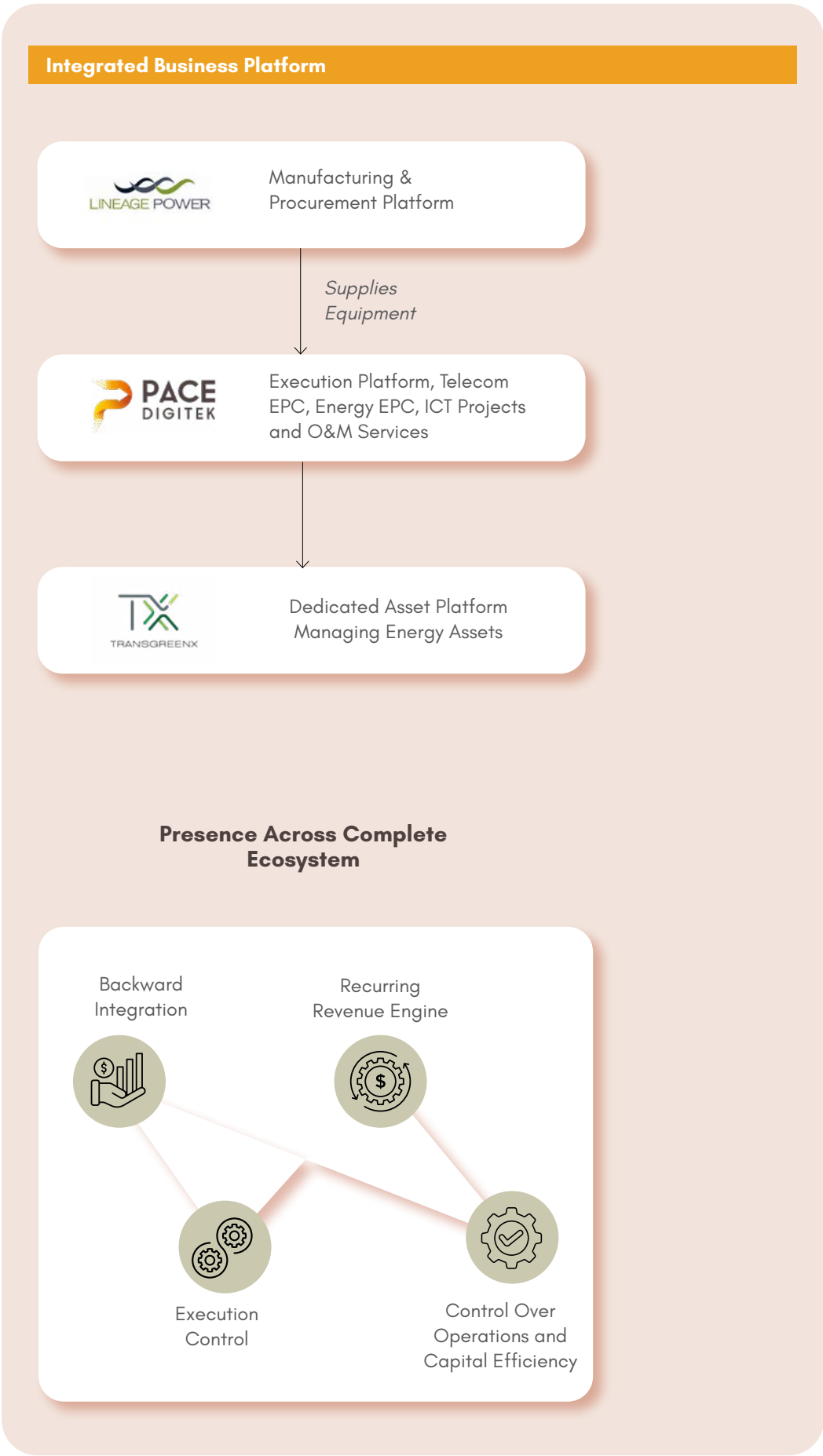
Expanding capabilities in BESS, renewable energy integration and energy infrastructure solutions position us to capitalise on India's evolving energy transition opportunities.



### Value Creation Model

We create sustainable value by integrating manufacturing, project execution and lifecycle services across telecom and energy infrastructure, complemented by selective energy asset ownership

| Inputs                                                |                                                                             |
|-------------------------------------------------------|-----------------------------------------------------------------------------|
| Capital Strength                                      |                                                                             |
| ₹ <b>113,379 million</b><br>Order Book                | ₹ <b>8,191.48 million</b><br>Raised Through IPO                             |
| ₹ <b>22,522 million</b><br>Net worth                  |                                                                             |
| Manufacturing Base                                    |                                                                             |
| <b>3</b><br>State-of-the-Art Manufacturing Facilities | <b>21,590 Nos</b><br>Telecom Energy Systems Annual Installed Capacity (no.) |
| <b>2.5 GWh</b><br>BESS Installed Capacity             | <b>10,944</b><br>Telecom Infra equipments Installed Annual Capacity (Nos.)  |
| Talent Base                                           |                                                                             |
| <b>2,700 +</b><br>Total Employees (Group level)       | <b>Over 600</b><br>Technical Workforce at Manufacturing Facilities          |
| Stakeholder Impact                                    |                                                                             |
| ₹ <b>36.47 million</b><br>CSR Expenditure             | <b>BESS systems and Renewable Energy Solution</b>                           |



### Outputs

| Capital Strength                                   |                                  |
|----------------------------------------------------|----------------------------------|
| ₹ <b>26,413 Million</b><br>Revenue from Operations | ₹ <b>4,552 Million</b><br>EBITDA |
| ₹ <b>3,073 Million</b><br>PAT                      | <b>14.1%</b><br>ROCE             |

| Manufacturing Base                      |                                                         |
|-----------------------------------------|---------------------------------------------------------|
| <b>178 BESS</b><br>Containers Delivered | <b>Successfully Executed BSNL 4G Saturation project</b> |
| <b>~80%</b><br>Capacity Utilisation     | <b>480 MWh BESS Capacity Executed</b>                   |

| Knowledge Base                  |                                    |
|---------------------------------|------------------------------------|
| <b>Engineering Productivity</b> | <b>Project Delivery Excellence</b> |
| <b>Integrated Solutions</b>     |                                    |

| Talent Base                        |                                      |
|------------------------------------|--------------------------------------|
| <b>Capability Building</b>         | <b>Strong Execution Capabilities</b> |
| <b>2,948</b><br>Training Man-hours | <b>Zero</b><br>Safety Incidents      |

| Ecosystem                        |                                      |
|----------------------------------|--------------------------------------|
| <b>Local Vendor Developments</b> | <b>Improves</b><br>Stakeholder Trust |
| Reliable Partnerships            |                                      |

| Stakeholder Impact                |                                                 |
|-----------------------------------|-------------------------------------------------|
| <b>Improves Stakeholder Trust</b> | <b>Reliable Partnerships</b>                    |
| <b>Local Development</b>          | <b>Supporting cleaner energy infrastructure</b> |

### Stakeholders Impacted

|           |          |
|-----------|----------|
| Investors | Business |
| Partners  |          |

|         |  |
|---------|--|
| Clients |  |
|---------|--|

|           |  |
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| Clients   |  |
| Employees |  |

|           |  |
|-----------|--|
| Employees |  |
|-----------|--|

|                 |  |
|-----------------|--|
| Communities     |  |
| Supply Partners |  |

|             |           |
|-------------|-----------|
| Regulators  | Investors |
| Communities |           |

### SDGs Impacted

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## FY2026 At a Glance

# Operational Highlights

### Successful IPO Listing

Successfully listed on BSE and NSE, marking the beginning of Pace Digitek's next phase of growth.

### BESS Manufacturing

**2.5 GWh**

Operational BESS manufacturing capacity commissioned during FY2026.

Expansion to 10 GWh underway.

### BESS Containers Manufactured

**178**

Utility-scale BESS containers manufactured during FY2026.

### Utility-scale BESS Executed

**480 MWh**

Utility-scale Battery Energy Storage Systems executed during FY2026.

### New telecom towers erected

**1,035**

### OFC rollout

**2,109 km**

### Executable Order Book

**₹1,13,379 Million**

(As on May 25, 2026)

**78.1%**

Energy

**21.9%**

Telecom & ICT

**5.32GWh**

Executable BESS Projects

### Manufacturing Facilities

**3**

State-of-the-art manufacturing facilities supporting telecom and energy infrastructure solutions

### Workforce

**2,700+**

Employees supporting execution across India (Group Level)

**Building an Integrated Infrastructure Platform through Technology, Manufacturing, Engineering, Execution and Lifecycle Services.**

# Financial Highlights

### Revenue from Operations:

**₹26,413 Million**

Business Mix

**51.4%**

4 Year CAGR

**45%**

Energy

**55%**

Telecom

### EBITDA

**₹4,552 Million**

**100.3%**

4 Year CAGR

**17.2%**

EBITDA Margin

### Profit After Tax (PAT)

**₹3,073 Million**

**107.7%**

4 Year CAGR

**11.6%**

PAT Margin

### Debt / Equity

**0.43x**

### ROCE

**14.1%**

### ROE

**13.6%**





## Our IPO Journey

# A Defining Moment in Our Growth Journey

Pace Digitek Limited marked a significant milestone in its corporate journey with its successful listing on both the BSE and NSE on October 6, 2025.

This milestone marked a defining moment in our evolution from a telecom infrastructure and power solutions company to a diversified infrastructure platform with growing presence across energy and digital infrastructure segments. Our Initial Public Offering (IPO) reflects our strong execution track record, diversified capabilities and strategic positioning across high-growth sectors. The successful listing enhanced the Company's visibility and strengthened its platform to pursue its long-term growth strategy across telecom and energy infrastructure markets.

The IPO also enhanced our financial flexibility, strengthened our governance framework and positioned us to pursue the next phase of disciplined long-term growth.

Following the IPO, we are focused on accelerating our strategic priorities.

### Expanding Energy Solutions Capabilities

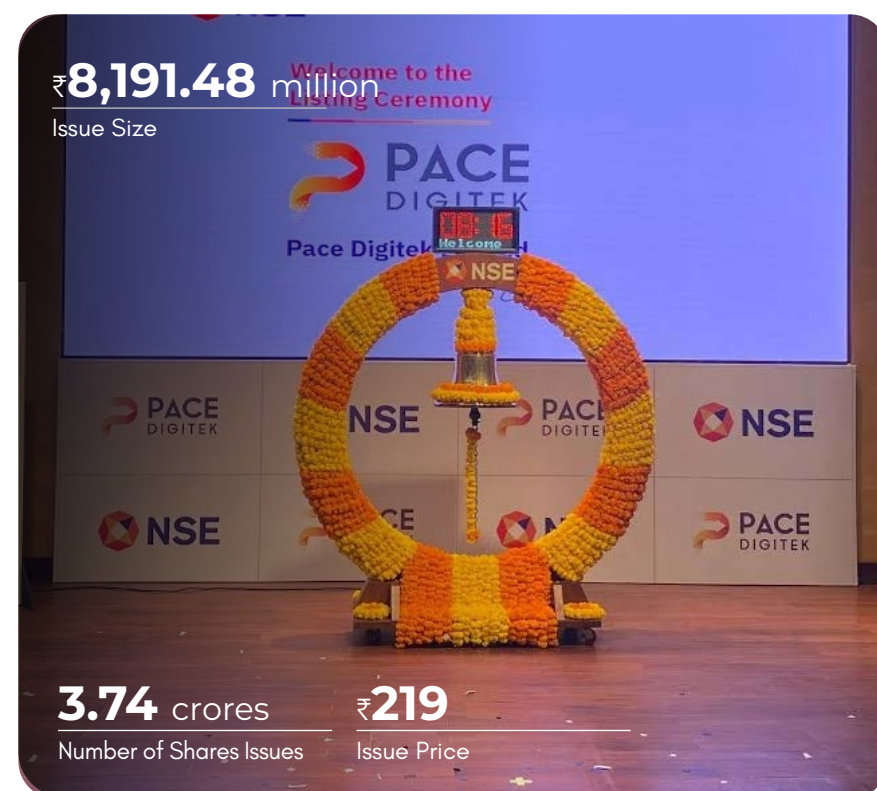
Expanding our renewable energy and BESS capabilities through manufacturing, EPC and project execution.

### Accelerating Growth and Creating Value

Driving scalable growth across telecom, energy and digital infrastructure through engineering, execution and operational capabilities.

### Strengthening Financial Position

Deploying capital prudently while maintaining financial flexibility and working-capital discipline.



## IPO Glimpses







## Our Board of Directors and Management Team

# A Structure that Powers Efficiency

### Board of Directors



**Venugopalrao Maddisetty**

Chairman and Managing Director

Holds a Bachelor's degree in Engineering, an MBA from Newport University, California and a Doctor of Letters from the University of South America. With over 20 years of experience in telecom and energy sectors, he has led Pace Digitek's transformation into an integrated telecom and energy infrastructure company. He oversees the Company's strategy, operations, business expansion and leadership.



**Padma Venugopal Maddisetty**

Whole Time Director

Has over 20 years of experience in the telecommunications and energy industry. As Whole-time Director, she oversees HR, organisational development and administrative functions, playing a key role in strengthening the Company's people practices and supporting its long-term growth.



**Rajiv Maddisetty**

Whole Time Director

Holds a Bachelor's degree in Engineering and an MBA from University of Delaware. Prior to joining Pace Digitek, he was associated with PwC. With around five years of experience in the telecom and energy sectors, he oversees business operations, strategic initiatives and execution across the Company's businesses.



**Dr. Prabhakar Reddy Patil**

Independent Director

Holds a Master's degree in Econometrics from Sri Venkateswara University and a Ph.D. from IIT Bombay. With over 25 years of experience in financial markets and regulatory affairs, including his tenure at SEBI, he provides valuable guidance on corporate governance, risk management and regulatory compliance.



**Dr. Satishchandra B Ogale**

Independent Director

Holds Bachelor's, Ph.D. degrees in Physics from Poona University. A distinguished scientist with over 25 years of experience in R&D, he has held leadership roles at CSIR-NCL, IISER Pune and the Research Institute for Sustainable Energy. He brings deep expertise in technology, innovation and sustainability.



**Om Prakash Mishra**

Independent Director

Holds Bachelor's and Master's degrees in Economics from Patna University. With 37 years of experience in the banking industry, including leadership roles at SBI and Punjab & Sind Bank, he brings extensive expertise in banking, finance, credit and risk management.

**C** Chairman **M** Member

**N** Nomination and Remuneration Committee  
**A** Audit Committee

**S** Stakeholder's Relations Committee  
**C** Corporate Social Responsibility

**R** Risk Management Committee

## Key Managerial Personnel



**Rajavendhan P**  
Chief Finance Officer

A Chartered Accountant and Commerce graduate from the University of Madras, with over 20 years of experience in finance, accounting and corporate finance, he oversees the Company's finance function, treasury, financial planning and reporting. Prior to joining Pace Digitek, he held leadership positions with Solara Active Pharma Sciences, Sterlite Industries and Vedanta.



**Meghana M P**  
Company Secretary & Compliance Officer

Holds a Bachelor's degree in Commerce and an LL.B. from Karnataka State Law University and is an Associate Member of the Institute of Company Secretaries of India (ICSI). She has experience in corporate secretarial practice, governance and regulatory compliance across listed and private companies, and oversees the Company's corporate governance, secretarial and regulatory compliance functions.

## Senior Managerial Personnel



**Alok Singhal**  
Chief Operating Officer - Telecom & ITC

Holds a Bachelor's degree in Electronics Engineering, a Post Graduate Diploma in Business Management and an Executive Certificate in Strategic Management from IIM Kashipur. With over 25 years of experience in sales, business development and strategic market expansion, he leads sales strategy, customer engagement and business development across the Company's telecom and energy businesses.



**Krishna Murthy**  
Head - HR and Admin

Holds a Bachelor's degree in Arts and a Master's degree in Social Work from Mangalore University. With over 25 years of experience in human resources and organisational development, he leads the Company's human resources, talent development and administrative functions.



**Nishant Raj**  
Vice President - Commercial (Energy Business)

Holds a Bachelor's degree in Mechanical Engineering from SRM IST, Chennai, and an MBA from Great Lakes Institute of Management. With over 15 years of experience in the energy sector, he leads commercial development and strategic partnerships, bringing expertise in business development, bidding, stakeholder management and Open Access solutions across solar, wind and BESS.



**Himanshu Goyal**  
Head - Energy Projects & Operations

Holds a Bachelor's degree in Civil Engineering from Giani Zail Singh College of Engineering & Technology, Bathinda. With over 10 years of experience in renewable energy, he leads the execution of energy projects across design, engineering, procurement and construction, delivering utility-scale solar, wind and energy infrastructure projects with a strong focus on quality, cost and timely execution.



**Prafull Ranjan Singh**  
Head - Projects & Operations (Telecom & ICT)

Holds a Bachelor's degree in Mechanical Engineering from the University of Pune. With over 25 years of experience in telecom infrastructure and project execution, he leads the execution and delivery of the Company's telecom infrastructure projects. Prior to joining Pace Digitek, he held leadership roles across telecom infrastructure and digital services companies.





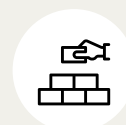
## Journey So Far The Road We Have Travelled



### Foundational Year

**2007**

Incorporated under the name of Pace Power Systems Private Limited and commenced manufacturing of telecom power systems

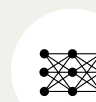


### Execution and Scale-up

**2014**

Acquired Lineage Power Private Limited from GE Power Electronics India

Entered turnkey Telecom & ICT project execution, strengthening our execution capabilities



### Network Infrastructure Expansion

**2022**

Started executing turnkey Optical Fibre Cable (OFC) network projects for public sector telecom operators



### Future-ready Growth

**2025**

Lineage Power Private Limited, a Material Subsidiary of the Company, commenced operations at its BESS manufacturing facility at Bidadi

Successfully completed the IPO and got listed on BSE and NSE on October 6, 2025



### Diversification

**2012**

Expanded the product portfolio with Intelligent Power Management Systems (IPMS).

Entered the energy segment by introducing energy management, renewable energy and hybrid energy solutions for Telecom & ICT infrastructure projects



### Platform Expansion

**2020**

Expanded into Engineering, Procurement and Construction (EPC), strengthening integrated execution capabilities across telecom and energy infrastructure



### Large-scale Network Projects

**2023**

Awarded the BSNL 4G Saturation Project, marking a significant milestone in large-scale telecom infrastructure execution



### Expanding Horizons

**2026**

Executable order book crossed ₹ 1,13,379 million

Delivered 200th utility-scale BESS container

## Message from the Chairman



**As India's energy storage market evolves alongside the renewable energy transition, we believe long-term value will be created not by manufacturing individual products alone, but by building an integrated energy storage ecosystem. Our strategy extends beyond equipment manufacturing to engineering, system integration, deployment and lifecycle services, enabling participation across the complete BESS value chain.**

### Dear Shareholders,

Every digital payment, every mobile call and every unit of renewable energy delivered depends on infrastructure that often remains invisible. At Pace Digitek, we have spent nearly two decades building that invisible infrastructure platform, connecting people, powering networks and enabling India's digital and energy transition.

FY2026 marks a defining milestone in that journey. With our successful listing on the stock exchanges in October 2025, the Company entered a new phase as a publicly listed organisation. This achievement reflects the trust placed in us by our investors, customers, partners and employees and we remain committed to honouring that trust through disciplined execution, transparent governance and long-term value creation.

For us, the listing is not a culmination but the beginning of a larger journey. It has strengthened our foundation and enhanced our ability to pursue opportunities with greater discipline, agility and accountability.

### Building for India's Infrastructure Transformation

India continues to witness significant investments across digital connectivity, renewable energy and core infrastructure. Telecom infrastructure, energy storage and grid modernisation will remain central to this transformation. As these sectors increasingly converge, integrated capabilities are becoming essential to deliver reliable, scalable and future-ready infrastructure solutions.

At Pace Digitek, our own journey has evolved alongside structural these opportunities. What started as a telecom infrastructure execution company has gradually evolved into an integrated infrastructure platform with capabilities spanning telecom, digital connectivity and energy solutions.

Over the years, we have expanded our capabilities across manufacturing, EPC execution and long-term service operations through sustained investments in engineering, manufacturing and execution capabilities aligned with India's evolving infrastructure requirements. Today, we operate across multiple stages of the value chain, strengthening execution, improving operational visibility and enhancing execution control.

### A Year Of Growth and Scale

FY2026 was a year of meaningful progress across both telecom and energy businesses.

Our manufacturing platform extends beyond producing equipment. It reflects our investments in technology, engineering, supply-chain resilience and long-term competitiveness. One of the defining milestones during the year was the operationalisation of our 2.5 GWh Battery Energy Storage System (BESS) manufacturing platform. During FY2026, we delivered 178 grid-scale BESS containers and executed 480 MWh of utility-scale BESS capacity across multiple projects. We also continued progressing towards our planned 10 GWh manufacturing expansion under a phased scale-up strategy aligned with future demand visibility.

The energy storage business witnessed strong momentum as utilities and infrastructure developers accelerated investments in renewable integration, grid flexibility and energy storage. With a BESS order pipeline of over 5 GWh, we believe battery energy storage will play a pivotal role in India's energy transition and present a significant long-term growth opportunity.

In parallel, execution under the BSNL 4G saturation project progressed substantially during the year. As deployed telecom sites gradually transitioned into O&M phase, we also expanded our long-term service footprint and recurring revenue visibility across telecom operations. We also secured major project wins across BSNL, RailTel, Railway Kavach, ICT and digital connectivity, reflecting our growing participation in large national infrastructure programmes.

### Financial Performance and Operational Discipline

The Company continued demonstrating strong operational momentum during FY2026. Your Company reported Revenue from Operations of Rs. 26,413 million, EBITDA of Rs. 4,552 million and Profit After Tax of Rs. 3,073 million during the year.

Our executable order book stood at Rs. 113,379 million as of May 25, 2026, providing strong visibility across both Energy and Telecom and ICT businesses.

As the scale of operations increased during the year, our focus remained firmly anchored on disciplined execution, operational efficiency, working capital management and delivery consistency. We also continued investing in manufacturing expansion, operational readiness and project execution capabilities while maintaining a healthy balance sheet with cash and bank balances of Rs. 7,690 million and a Net Debt-to-Equity ratio of 0.31x.

We also continued building a more diversified business model across telecom and energy. Alongside EPC execution, we are focused on increasing contribution of manufacturing-led revenues, long-term O&M services and selective BOO-linked energy infrastructure platforms. We believe this approach will strengthen revenue visibility, improve operational integration and create a more balanced and resilient business mix over the medium to long term.

### Operational Excellence and Capability Building

As projects continue increasing in size and complexity, strengthening operational systems and execution capabilities remains an important focus across our businesses.

During the year, we expanded telecom deployment capabilities across tower infrastructure, OFC rollout, telecom power

systems and ICT infrastructure projects spanning multiple geographies. FY2026 execution included 1,035 telecom towers erected, 1,297 telecom power systems commissioned and 2,109 km of OFC rollout.

In the energy business, manufacturing scale-up required greater coordination across engineering, procurement, manufacturing and commissioning. Alongside execution growth, we advanced automation, in-house fabrication, localisation and product engineering capabilities to support utility-scale and C&I energy storage solutions.

### Looking Ahead

India's telecom and energy infrastructure sectors continue to offer a large and expanding long-term opportunity, supported by sustained investments across digital connectivity, renewable integration and grid modernisation.

As we look ahead, our focus remains on strengthening capabilities across telecom infrastructure, digital connectivity and energy storage while continuing to enhance manufacturing integration, product capabilities and operational excellence across businesses.

In the energy segment, we will continue expanding manufacturing capacity, deepening localisation and increasing participation across utility-scale and C&I BESS opportunities. We also see emerging opportunities in data centres, intelligent power systems and energy management solutions, where reliable and integrated power infrastructure will play an increasingly important role. Across our Telecom & ICT businesses, we remain focused on network deployment, OFC infrastructure, ICT solutions and long-term lifecycle services, while expanding our presence across adjacent opportunities driven by India's evolving digital infrastructure ecosystem.

As we move into the next phase of our journey, our approach remains product-driven, execution-led and expansion-ready with a continued focus on disciplined growth, innovation and sustainable value creation.

### Acknowledgement

In closing, I sincerely thank our employees, customers, suppliers, business associates and shareholders for their continued trust and support. Your confidence has been key to Pace Digitek's growth. Together, we look forward to driving innovation and creating sustainable value in the years ahead.

**Best regards,**  
**Venugopalrao Maddisetty**  
Chairman & Managing Director





## Offerings

# Delivering End-to-End Infrastructure Solutions

We deliver integrated telecom and energy infrastructure solutions through manufacturing, EPC execution, project development and lifecycle services. This enables us to support our customers across the infrastructure value chain, from product supply and project execution to operations and maintenance.



Telecom



Energy Solutions



### TOWER

Products supply  
Project execution  
Services



### FIBER

Products supply  
Project execution  
Services



### BESS

Manufacturing of BESS  
and PCS  
EPC  
Developer



### SOLAR

EPC - Solar plants,  
Solar water pumps  
Developer

## Business Verticals

Our comprehensive business model spans Manufacturing, EPC and O&M, enabling end-to-end delivery of telecom and energy infrastructure solutions. This integrated and diversified structure allows us to participate across the infrastructure value chain while delivering reliable, efficient and responsive solutions for mission-critical applications.



### Manufacturing

#### Telecom Power Solutions

- **Power management solutions:** Switch-mode power supply, power management unit, integrated power management unit, hybrid DC power system.
- **Solar solutions:** Charge Control Unit, inverters, power boosters, AC-DC converters and remote monitoring and management solutions.

#### Battery Energy Storage Solutions

- Lithium-ion battery systems
- Containerised BESS integration
- Power Conversion System
- Energy management systems
- Monitoring and analytics
- Energy control platforms



### Project Execution

#### Telecom Infrastructure

- Telecom tower deployment and passive infrastructure development
- OFC network deployment

#### Energy Infrastructure

- BESS & Solar + BESS - EPC & BOO
- Solar EPC
- Solarisation of telecom towers

#### ICT and Smart Infrastructure

- ICT infrastructure projects
- Surveillance and smart monitoring systems
- Smart education and digital classroom solutions



### Lifecycle Services

- Upgradation of telecom infra equipments
- AMC for telecom infrastructure equipment
- Telecom infrastructure lifecycle management
- O&M services for telecom towers and ofc networks
- O&M of BESS

### KPI DASHBOARD



**3**  
Manufacturing  
Facilities



**2.5 → 10 GWh**  
BESS Capacity Expansion



**₹ 1,13,379 Mn**  
Executable Order Book



**8,000 +**  
Sites Execution  
Experience Across India



**10,944**  
Telecom Infra Equipment  
Annual Installed Capacity  
(Nos.)



**21,590**  
Telecom Energy Systems  
Annual Installed Capacity  
(Nos.)

## Our Technology and Manufacturing Platform

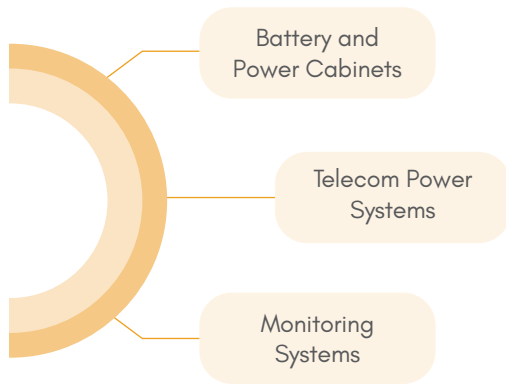
# Lineage Power Private Limited

Lineage Power Private Limited (LPPL), a Material Subsidiary of Pace Digitek, serves as our integrated manufacturing and technology platform for telecom power systems, BESS and power electronics.

Leveraging global engineering expertise and in-house manufacturing capabilities, LPPL enables Pace Digitek to design, manufacture, integrate and deliver advanced energy infrastructure solutions across utility-scale, Commercial and Industrial (C&I) and telecom applications.

### Manufacturing Capabilities

#### Telecom



#### Energy Storage

- Grid-scale BESS
- Power Conversion System (PCS)
- C&I ESS
- Mobile ESS
- EMS and Remote Monitoring
- Custom Energy Solutions

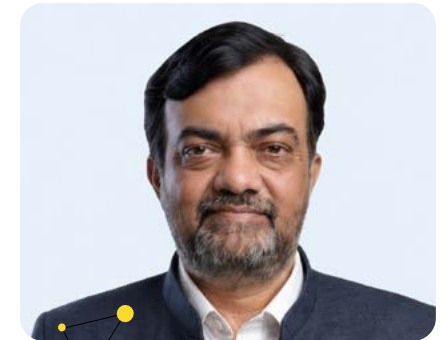


### Lineage Power Management Team



**Rohitha Mudduluru**  
Director - Manufacturing

Holds a Bachelor's degree in Civil Engineering and a Master's degree in Construction and Infrastructure Systems Engineering from the Georgia Institute of Technology, USA. With over 10 years of experience across manufacturing, infrastructure, engineering and business development, she leads manufacturing operations at LPPL.



**Ketan Chitnis**  
Chief Operating Officer

Holds a Bachelor's degree in Electronics Engineering from Mumbai University and is a Fellow of the Institution of Valuers. With over 20 years of leadership experience in BESS, advanced energy technologies and manufacturing, he leads manufacturing, engineering, supply chain, product services and business development at Lineage Power.



**Basavaraja P R**  
Head-Engineering

Holds a Bachelor's degree in Electronics and Communication Engineering from SIT, Tumkur. With over 18 years of experience in telecom power systems and manufacturing, and having been associated with Pace Digitek since 2007, he leads engineering and manufacturing operations at Lineage Power, driving product innovation, quality systems, process excellence and operational efficiency.



**Praveen Hebbalkar**  
Group Head - Supply Chain Management

Holds a Bachelor's degree in Industrial Production Engineering from Karnataka University, Dharwad, and a Diploma in Business Management. With over 25 years of experience, he leads supply chain management, strategic sourcing and manufacturing support across the Group. Prior to joining Pace Digitek, he held leadership roles at Matrix Gas and Renewable, Homi Hydrogen, Ohmium International and Flowserve India.



# Manufacturing Excellence

## Precision, Quality and Reliability

Manufacturing has remained a core pillar of Pace Digitek’s growth journey, enabling us to strengthen execution capabilities, improve operational control and deliver reliable solutions across telecom and energy infrastructure.

A significant milestone in this journey was the acquisition of the business of GE Power Electronics India and the rights to the ‘Lineage Power’ brand in 2014. This strengthened our technological capabilities and accelerated the expansion of our manufacturing operations for DC power systems catering to telecom tower companies and network operators. Over the years, this foundation has enabled us to establish a stronger position in energy management and telecom infrastructure solutions.

As the industry has evolved, we have enhanced our manufacturing ecosystem through a focused approach to capacity expansion, process alignment

and execution readiness. Today, our manufacturing philosophy extends beyond production capacity. We are advancing process automation, integrated quality systems and operational optimisation to improve throughput, consistency and reliability.

In line with our localisation strategy, we are also progressing towards higher value addition and backward integration across selected components and infrastructure systems to enhance supply-chain visibility, execution control and long-term competitiveness.

As India’s energy transition gathers pace, BESS are expected to play an increasingly important role in enabling

grid stability and renewable energy integration.

In response to this opportunity, we are advancing our manufacturing, execution and deployment capabilities across the energy storage value chain.

|                                           |                                 |
|-------------------------------------------|---------------------------------|
| <b>3</b>                                  | <b>21,590</b>                   |
| Manufacturing Facilities                  | Telecom Energy Systems Capacity |
| <b>10,944</b>                             | <b>2.5 → 10 GWh</b>             |
| Telecom Infrastructure Equipment Capacity | BESS Capacity Expansion         |



### Integrated Infrastructure

#### Engineering, Manufacturing and Execution Under One Ecosystem

We have developed robust end-to-end capabilities across design, manufacturing and execution, enabling us to deliver seamless complex infrastructure projects with improved coordination, deployment visibility and execution consistency.

Our integrated operating platform enables alignment across engineering, procurement, manufacturing and field execution while supporting multi-site deployment capability across telecom, renewable energy and energy storage infrastructure projects.



#### Integrated BESS Manufacturing Platform

Our manufacturing platform combines battery pack assembly, system integration and containerised energy storage solutions, enabling greater control over quality, execution timelines and operational performance. Through a coordinated approach spanning component sourcing, engineering, assembly and testing, we deliver scalable and deployment-ready energy storage systems aligned with evolving customer and grid requirements.

#### Manufacturing-led Scale-up

Our automated cell-to-module-to-pack manufacturing capabilities are designed to support precision manufacturing, operational consistency and scalable production. Supported by rigorous testing and quality assurance processes, the platform enables efficient capacity expansion while maintaining high standards of product quality, reliability and safety.

#### Integrated Supply Chain and Operational Excellence

Our integrated manufacturing and operational processes enhance quality control, supply chain reliability and execution efficiency. By streamlining key stages of the value chain, we strengthen delivery capabilities, improve operational responsiveness and support

consistent project execution across diverse applications.

Our proprietary Prajña™ EMS platform enables intelligent monitoring, control and optimisation of energy assets across grid-scale, commercial and industrial (C&I) and hybrid renewable applications, supporting seamless integration, operational visibility and enhanced lifecycle performance.

#### Quality and Certification Framework

Our manufacturing and operational processes are aligned with globally recognised standards across quality, environmental management, occupational health and safety, information security and service excellence. These frameworks support disciplined operations, continuous improvement and reliable delivery across our businesses.

#### Prajña™ Energy Management System (EMS)



In-house EMS platform enabling intelligent monitoring, control and optimisation of energy assets, supporting seamless integration, operational visibility and enhanced lifecycle performance.

#### Platform-Based Integrated Execution

Operating through an integrated platform spanning manufacturing, system integration, EPC execution and lifecycle services, we are positioned to create long-term value across the energy storage ecosystem while supporting scalable deployment and recurring business opportunities.

#### Our Certifications

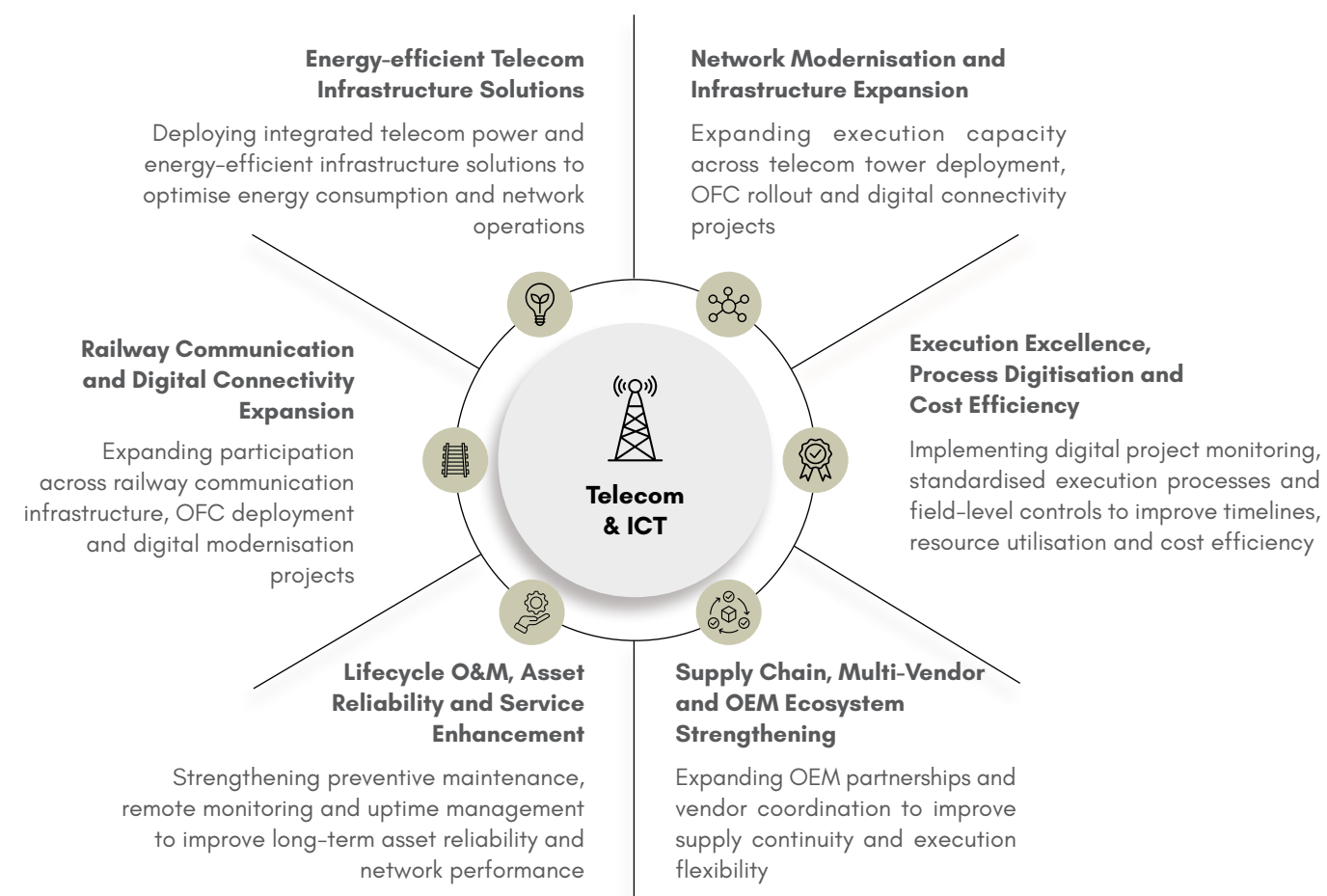


## Key Strategic Initiatives



### Telecom & ICT

We are advancing our Telecom and ICT infrastructure business through focused strategic initiatives aimed at enhancing execution capabilities, improving operational efficiency, strengthening network reliability and supporting scalable growth across large-scale infrastructure deployments.



### Energy

We Building our energy infrastructure platform through strategic initiatives focused on localisation, manufacturing integration, intelligent energy management, scalable execution and technology-led energy solutions across the energy storage value chain.







## Engineering, Procurement and Construction (EPC)

# Delivering Integrated EPC Solutions across Telecom, ICT and Energy

We have built an integrated infrastructure platform spanning manufacturing, engineering, system integration and EPC execution across Telecom, ICT and Energy. By bringing together product development, project execution and lifecycle support under one platform, we deliver end-to-end infrastructure solutions with greater execution control, quality assurance and cost efficiency.

### Telecom and ICT EPC

Pace Digitek executes large-scale Telecom and ICT projects across telecom towers, power infrastructure, optical fibre networks and digital connectivity solutions. These capabilities are complemented by its portfolio of telecom power systems, lithium-ion

batteries, power electronics, remote monitoring systems and ICT products, enabling seamless execution from product supply to commissioning and long-term operations and maintenance.

### KEY CAPABILITIES

- Telecom Tower Infrastructure
- Optical Fibre Cable (OFC) Deployment
- Telecom Power Infrastructure
- ICT Infrastructure Solutions
- Surveillance and Smart Infrastructure

### Energy EPC

We deliver integrated EPC solutions across Battery Energy Storage Systems (BESS), solar and hybrid energy projects. Leveraging our engineering capabilities and system integration expertise, we support customers across the complete project lifecycle, from design and engineering to commissioning and operational optimisation.

Our capabilities in Battery Management Systems (BMS), Energy Management Systems (EMS), Power Conversion Systems (PCS) and containerised BESS integration enable efficient energy management, real-time monitoring and reliable system performance across utility-scale and distributed energy applications.

### KEY CAPABILITIES

- Utility-scale BESS
- Utility-scale BESS + developer
- Solar EPC
- Solar EPC + BESS Developer
- Long-term O & M



## Build, Own and Operate (BOO)

# Extending Value across the Lifecycle

We extend our integrated platform beyond EPC through our Build, Own and Operate (BOO) model, enabling us to develop, own and operate energy infrastructure assets under long-term service agreements. This expands our participation beyond project execution to long-term asset ownership, operations and lifecycle management, creating contracted revenue streams and enduring customer relationships.

Leveraging our integrated capabilities across manufacturing, engineering, EPC execution and digital asset management, we develop utility-scale BESS and renewable energy infrastructure with a focus on operational reliability, lifecycle optimisation and asset performance. This approach enables us to capture value across the infrastructure lifecycle while maintaining greater control over project delivery and operations.

Our BOO platform is supported by dedicated asset management capabilities, remote monitoring, preventive maintenance and performance optimisation, ensuring high asset availability and efficient operations throughout the contract period. Together, our EPC and BOO capabilities create a differentiated infrastructure platform, positioning Pace Digitek across the complete BESS value chain—from manufacturing and system integration to project execution, asset ownership and lifecycle services

### KEY CAPABILITIES

- Integrated manufacturing, EPC execution and asset ownership
- Dedicated asset management and performance optimisation
- Long-term contracted revenue visibility
- Scalable platform for utility-scale and renewable energy infrastructure

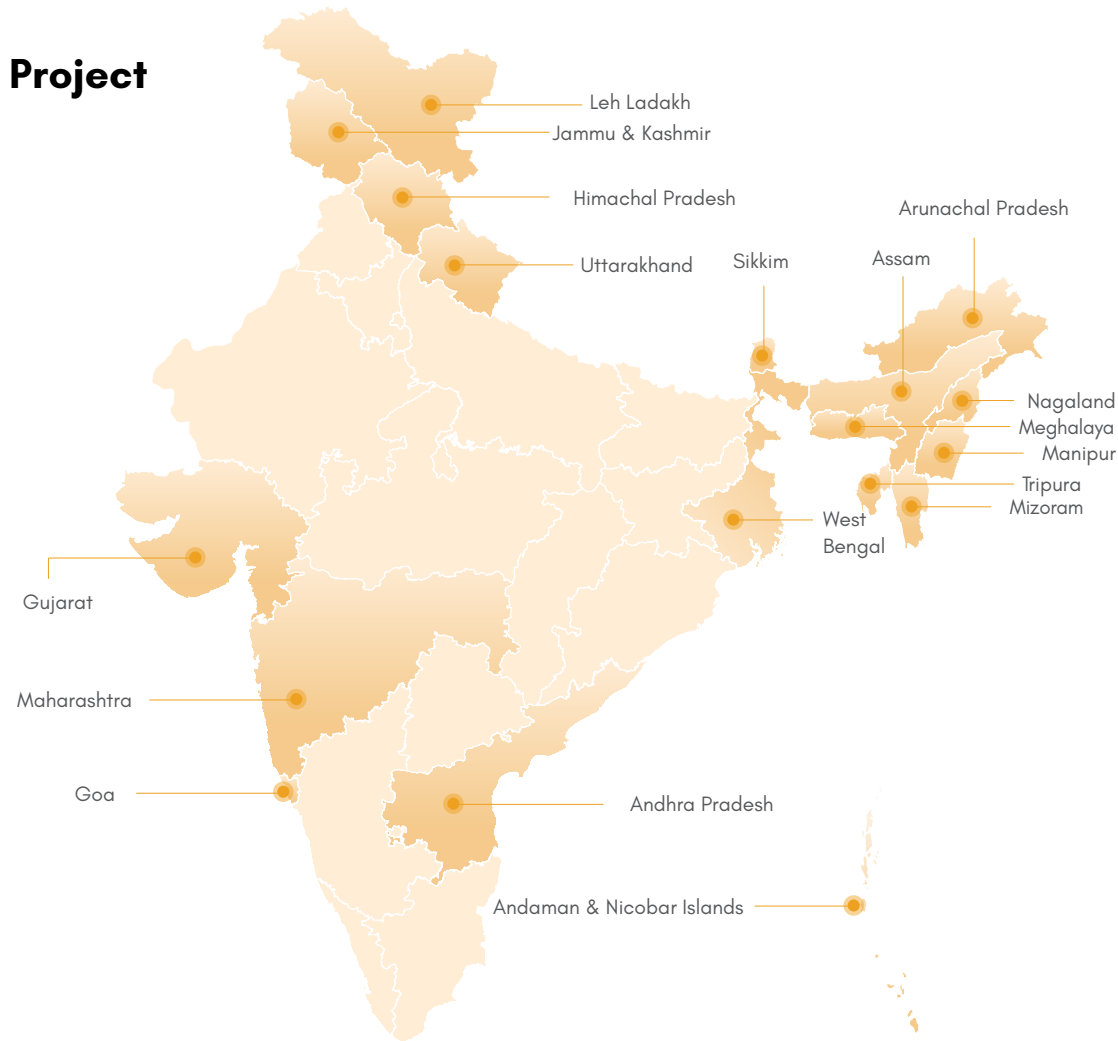




## Execution Highlights

Every milestone we achieve reflects our ability to execute at scale. From connecting thousands of telecom sites and expanding digital infrastructure to deploying utility-scale energy storage systems, we continue to transform engineering excellence into tangible infrastructure that creates lasting value for customers and the nation.

### BSNL 4G Saturation Project



#### 18 States / UTs

Successfully executed over the last three years across

#### 79 MW

Solar capacity deployed

#### 7,300+

Completed EPC for telecom sites

#### 269 MWh

of lithium-ion battery systems

#### 8,700+

Installed power infrastructure at sites

#### 40,000+

Enhanced digital connectivity across villages through one of India's largest rural telecom infrastructure rollouts

#### 7,800+

Solarized sites

### TANFINET Broadband Network

We delivered one of India's largest state-led broadband infrastructure projects, covering Points of Presence (PoPs) readiness, IP/MPLS integration, acceptance testing and network commissioning.

#### 6,100+

Gram Panchayats Touched

#### 30,000 + km

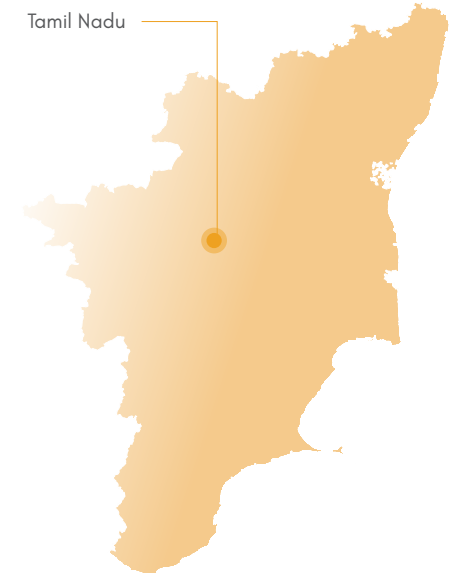
Optical Fibre Executed

#### 5,800+

Gram Panchayats Commissioned

#### 203 Blocks

Across 19 Districts of Tamil Nadu



### MSEDCL Standalone BESS BOO Project



#### 24 of 75 sites

Commissioned ahead of project schedule

#### 480 MWh

Delivered of utility-scale BESS execution during FY2026

Demonstrated capability to execute complex, multi-site BESS projects at scale

The map shown is for illustrative purposes only and is not to scale.





## Operations and Maintenance (O&M)

# From Execution to Enduring Performance

Our Operations and Maintenance (O&M) services are crucial to sustaining the operation, performance and efficiency of infrastructure assets across our Telecom and ICT and Energy businesses. Our integrated offerings span the entire asset lifecycle, including warranty support, annual maintenance agreements and full O&M services.

For telecom clients, we manage network infrastructure, fibre assets and power systems, complemented by remote monitoring and management features. This ensures uptime, continuity and optimal performance across geographically dispersed networks.

In the energy sector, we provide long-term O&M services for BESS and renewable energy assets, leveraging sophisticated monitoring tools and in-house energy management expertise. Our approach combines real-time monitoring with predictive and preventive maintenance to optimise performance and extend asset life.

Supported by technology-led monitoring and dedicated on-ground teams, our O&M model ensures timely service, minimised downtime and effective lifecycle management. By extending these services through our platform, we deepen customer engagement, while generating stable, recurring revenue streams through long-term contracts.



### CORE CAPABILITIES



Real-time Performance Monitoring and Diagnostics



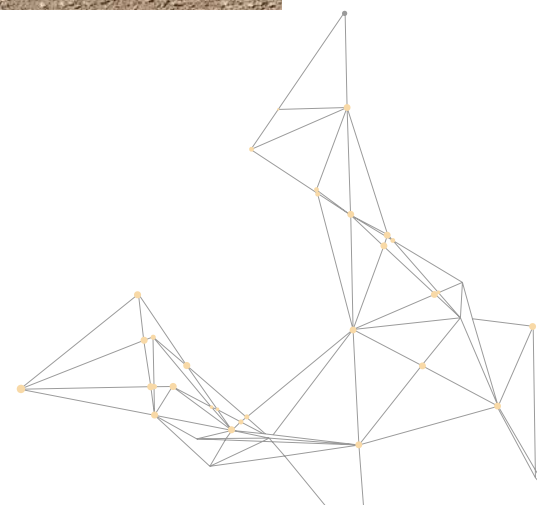
Uptime and Lifecycle Optimisation across Assets



Predictive and Preventive Maintenance Framework



Integrated Field Support Backed by a Skilled Workforce



## Diversified Order Book

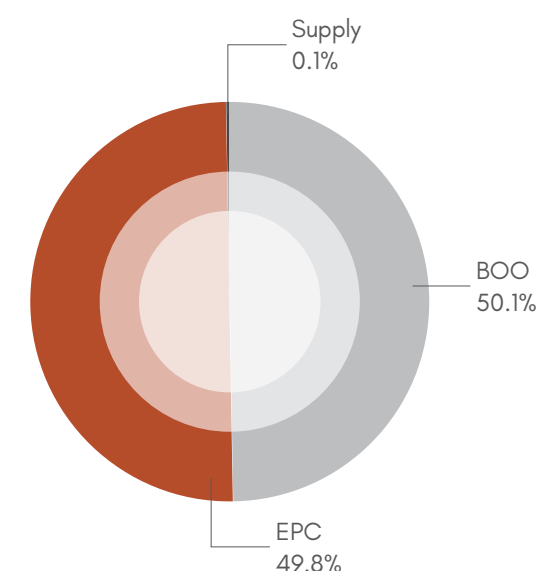
Our diversified order book across Energy and Telecom and ICT comprises utility-scale BESS, Solar + BESS, telecom infrastructure, OFC, ICT and railway projects. Supported by diversified execution models and a growing Energy platform, it provides visibility across multiple growth opportunities.

**Rs. 113,379 Mn**

Executable Order Book

### BUSINESS-WISE ORDER BOOK

#### Energy



**Rs. 88,540 million**

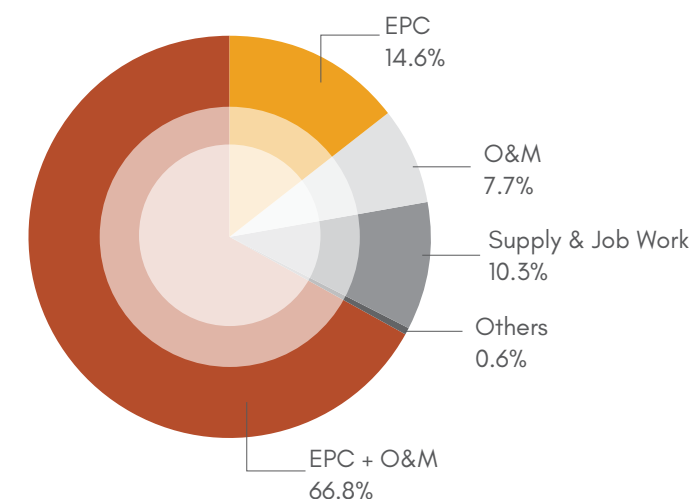
**78%**

Total Order Book

**5.32 GWh**

BESS Order Book

#### Telecom & ICT



**Rs. 24,839 million**

**22%**

Total Order Book

Executable Order Book\*

Energy Order Book

| Client                  | Project Type    | Scope  | Project details                                            | Total Executable Value |      |
|-------------------------|-----------------|--------|------------------------------------------------------------|------------------------|------|
|                         |                 |        |                                                            | Rs. Million            | GWh  |
| MSEDCL                  | Standalone BESS | BOO    | Standalone BESS 750 MW/ 1500 MWh                           | 12,580                 | 1.02 |
| SECI                    | Solar + BESS    | BOO    | Solar 100 MW with 50 MW/ 100 MWh BESS                      | 7,000                  | 0.10 |
| KPTCL                   | Standalone BESS | BOO    | Standalone BESS 250 MW/ 500 MWh                            | 7,000                  | 0.50 |
| KREDL                   | Solar + BESS    | BOO    | 250 MWAC Solar PV Project along with 250 MW/1100 MWh BESS  | 17,750                 | 1.10 |
| BOO Total               |                 |        |                                                            | 44,330                 | 2.72 |
| MAHAGENCO               | Solar EPC       | EPC    | 200 MW AC                                                  | 9,200                  |      |
| Bondada Engineering     | Solar BOS       | EPC    | Balance of Systemworks for a 300 MW AC Solar Power Project | 3,340                  |      |
| SECI                    | Standalone BESS | EPC    | 600 MW/1200 MWh                                            | 11,593                 | 1.20 |
| NTPC                    | Standalone BESS | EPC    | 200 MW / 400 MWh                                           | 5,836                  | 0.40 |
| NLC India               | Standalone BESS | EPC    | 250 MW / 500 MWh                                           | 7,099                  | 0.50 |
| DVC                     | Standalone BESS | EPC    | 250 MW / 500 MWh                                           | 7,020                  | 0.50 |
| EPC Total               |                 |        |                                                            | 44,087                 | 2.60 |
| Yaqin Chem              | Standalone BESS | Supply |                                                            | 123                    |      |
| Total Energy Order Book |                 |        |                                                            | 88,540                 | 5.32 |

Telecom and ICT

| Client                                    | Business Vertical  | Type      | Project Details                                                                     | Total Executable Value (Rs. Million) |
|-------------------------------------------|--------------------|-----------|-------------------------------------------------------------------------------------|--------------------------------------|
| BSNL                                      | Telecom Infra      | EPC + O&M | 4G Saturation                                                                       | 15,000                               |
| RNS                                       | Telecom Infra      | EPC + O&M | Power Infra for Telecom Tower                                                       | 1,149                                |
| TANFINET                                  | OFC Network        | EPC + O&M | OFC                                                                                 | 444                                  |
| Total EPC + O&M Order Book                |                    |           |                                                                                     | 16,593                               |
| BSNL                                      | OFC Network        | EPC       | BharatNet Project                                                                   | 2,647                                |
| Railtel                                   | ICT & Surveillance | EPC       | Deployment of IP-Based Video Surveillance Systems in LHB Coaches of Indian Railways | 750                                  |
| Indian Railways (Jodhpur Division)        | Railway Infra      | EPC       | Railway Tower Infrastructure                                                        | 226                                  |
| Total EPC Order Book                      |                    |           |                                                                                     | 3,623                                |
| Reliance                                  | Power Equipment    | Job Work  |                                                                                     | 1,200                                |
| BSNL                                      | Power Equipment    | Supply    |                                                                                     | 560                                  |
| BSNL                                      | Power Equipment    | Supply    |                                                                                     | 800                                  |
| Total Supply + Job Work Order Book        |                    |           |                                                                                     | 2,560                                |
| Tata Teleservices                         | Telecom O&M        | O&M       |                                                                                     | 1,923                                |
| Total O&M Order Book                      |                    |           |                                                                                     | 1,923                                |
| Other                                     | EPC + Services     | Others    |                                                                                     | 140                                  |
| Total Telecom & ICT Order Book            |                    |           |                                                                                     | 24,839                               |
| Total Energy and Telecom & ICT Order Book |                    |           |                                                                                     | 1,13,379                             |

\*As of 25 May 2026



Financial Performance

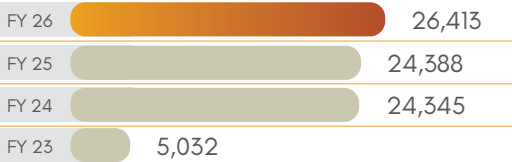
Growth that Translates into Value

We delivered a strong performance during FY 2025-26, supported by robust execution across our Telecom and ICT and Energy infrastructure businesses. Growth was driven by sustained activity in telecom infrastructure deployment, OFC execution and telecom power systems, alongside expanding opportunities in energy storage and renewable energy-linked solutions.

TOTAL REVENUE

(₹ Mn)

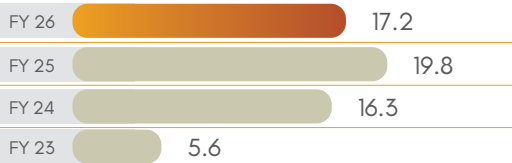
26,413



EBITDA MARGIN

(%)

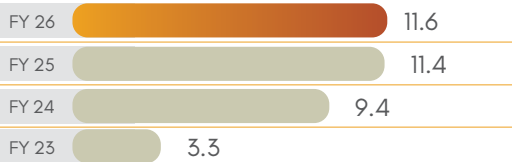
17.2



PROFIT AFTER TAX MARGIN

(%)

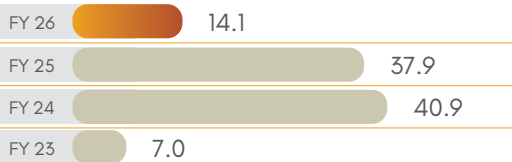
11.6



ROCE

(%)

14.1



EBITDA

(₹ Mn)

4,552



PAT

(₹ Mn)

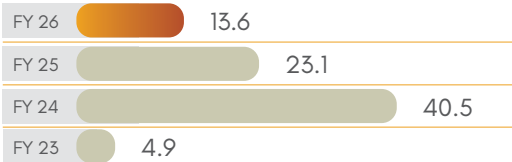
3,073



ROE

(%)

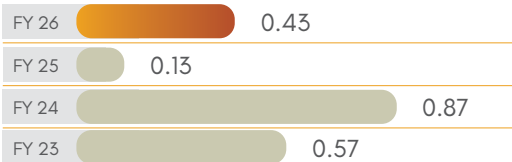
13.6



DEBT TO EQUITY

(x)

0.43







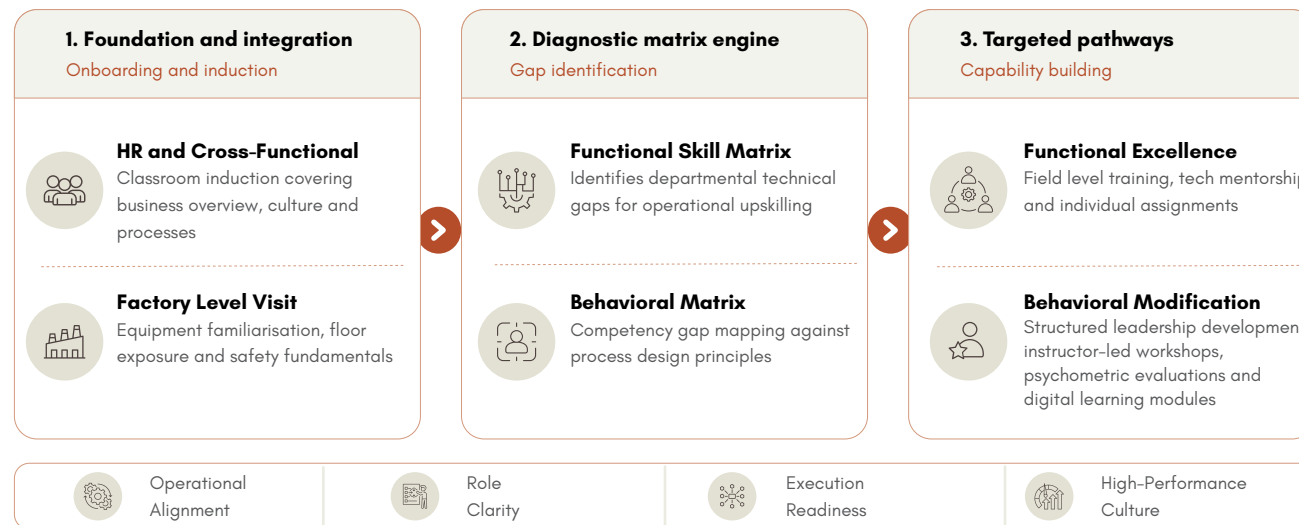
## Our People

# A Culture Rooted in Performance

We are supported by a workforce of over 2,700 on-ground, site-based professionals who form the backbone of our operational strength. Their presence across diverse geographies enables efficient project execution while maintaining high standards of reliability, responsiveness, quality and delivery.

Our people strategy is centred on building a performance-driven, capability-led and future-ready organisation through technical capability enhancement, leadership development, employee engagement and workplace well-being.

### Integrated L&D Capability Framework



### Learning and Development (L&D)

We have established an integrated L&D capability framework anchored in a structured three stage lifecycle that drives continuous learning, targeted capability building and leadership development across the workforce.

#### 1. Foundation and Integration

Induction and onboarding programmes support seamless employee integration from day one. New joiners undergo classroom induction covering HR policies, organisational culture and cross-functional business overviews, complemented by factory-level exposure for equipment familiarisation, floor orientation and safety fundamentals. This foundational phase establishes early role clarity and operational alignment.

#### 2. Diagnostic Matrix Engine

We guide capability development through a two-pronged matrix evaluation model

that enables targeted and measurable interventions.

**Functional Skill Matrix:** Tailored to departmental requirements, identifying technical execution gaps and informing operational upskilling.

**Behavioural Competency Matrix:** Mapped against process design principles to assess leadership, agility and collaboration competencies.

#### 3. Targeted Pathways

Diagnostic outcomes inform two dedicated development pathways, combining digital learning, instructor-led workshops and hands-on site exposure.

#### Functional and Operational Excellence:

We build technical mastery through field deployment training, guided mentorship from domain experts, and independent operational assignments that strengthen execution readiness.

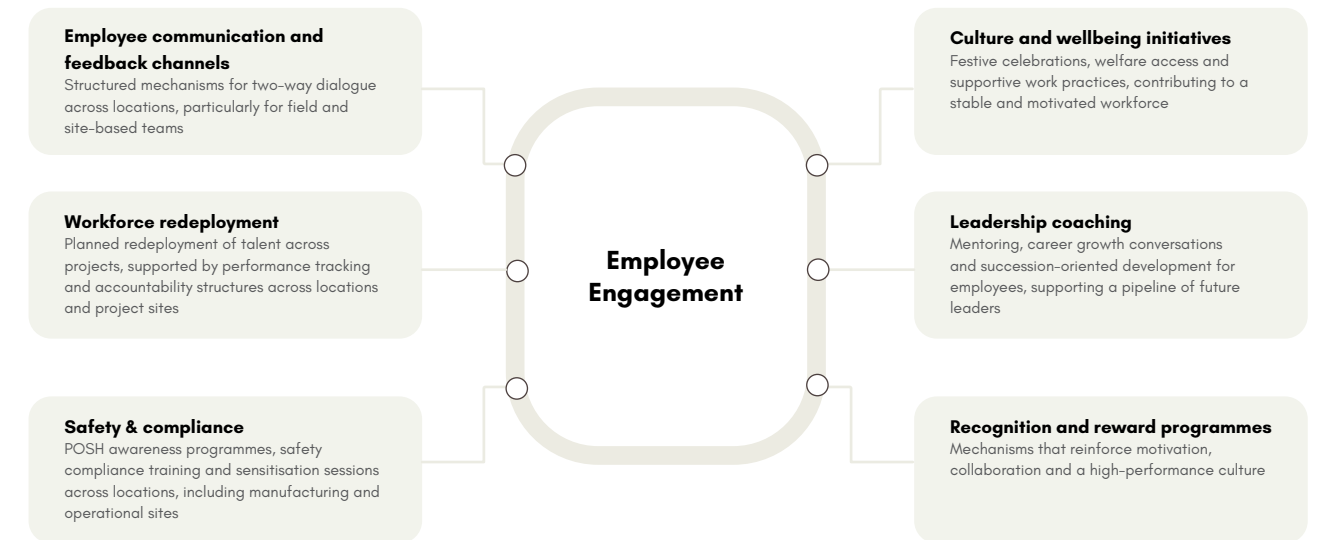
#### Behavioural Development and Cultural Alignment:

We foster culture and capability through structured leadership development, instructor-led workshops, psychometric assessments and digital learning, reinforcing the competencies that underpin operational excellence.

### Employee Engagement

We are committed to building a highly engaged, inclusive and empowered workforce through programmes focused on workforce engagement, learning, workplace well-being and operational accountability.

Our employee engagement approach complements our L&D framework by focusing on motivation, retention and the overall employee experience, while L&D is centred on job-related capability development.

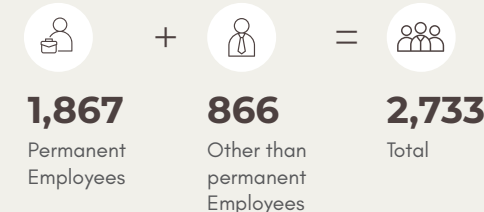


These Initiatives foster a motivated, productive and resilient workforce aligned with our long-term strategic objectives

### EMPLOYEE DASHBOARD\*

#### Category

No. of employees

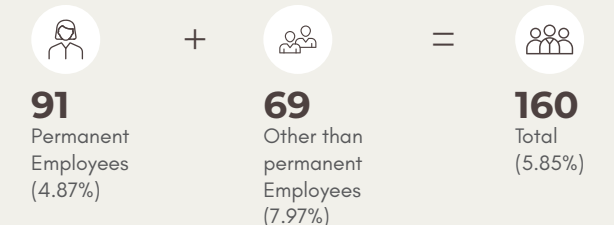


#### Gender

Male



Female



\*Nos. at Group Level



## Environmental, Social and Governance (ESG)

# People. Planet. Principles.



### Environment

We continue to strengthen sustainability practices across manufacturing facilities and operational locations through resource optimisation initiatives, energy efficiency measures and environmentally responsible operational practices.

We are pursuing initiatives focused on renewable energy adoption, reducing operational energy intensity and optimising power consumption across our facilities and infrastructure operations.

Our environmental management approach also includes responsible waste handling practices, water management initiatives and operational measures focused on improving environmental compliance and long-term sustainability performance



### Social

We are committed to driving meaningful social impact by prioritising employee well-being, safety and inclusive growth at the centre of our operations. Our approach to employee engagement is built on holistic development, supported by workload optimisation, leadership coaching as well as continuous training and upskilling initiatives.

A strong culture of safety and compliance underpins all our activities, ensuring adherence to global best practices and the protection of our workforce across diverse operational environments.

Guided by our HSE Vision 2026, we are enhancing safety standards across our operations, particularly in BESS manufacturing and deployment, through proactive risk management, standardised operating procedures and preventive safety practices. We reinforce this approach through structured training programmes, periodic safety audits, compliance-led monitoring systems and workforce awareness initiatives. Our operational governance framework focuses on preventive risk

management, incident minimisation and continuous improvement in workplace safety practices across functions and project locations.

During the year, we conducted regular safety drills, emergency response sessions and compliance-led training programmes across operational locations to reinforce preparedness, workplace safety awareness and operational responsiveness.



### Employee Wellbeing and Safety

Safety remains a critical operational priority across manufacturing facilities, project execution sites and field operations. We embed robust HSE practices across all levels of the organisation through structured protocols, periodic audits, awareness programmes and continuous monitoring systems.

**2026 BESS HSE Roadmap:**  
Strategic Milestones and Resource Requirements

**Advanced Mitigation:**  
Commissioning of NFPA-Compliant Fire Suppression Systems

**Zero-Non-Compliance:**  
Full Alignment with 2026 BESS Regulatory Statutes

**Environmental Sustainability:** Activation of Zero-Liquid Discharge (STP/WTP) System

Deployment of the BESS HSE Policy Framework

Achievement of ISO 45001 & 14001 Accreditation

Commissioning of the On-Site Health Centre



**Establishment of Gold-Standard HSE Operational Protocols**

**HSE Vision 2026:**  
Achieving Global Safety Standards for BESS Operations

### KPI DASHBOARD

**2,948**  
Training Man-hours

**Zero**  
'LTI Record' Till Date at BESS Plant

**ISO 45001:2018**  
Certified





## Corporate Social Responsibility

Our CSR initiatives are focused on contributing to the well-being of communities through targeted interventions in education and social development.

During the year, we supported the redevelopment of government schools and undertook other community-focused activities aimed at enhancing access to better infrastructure and learning environments. We also implemented programmes addressing local development needs and creating lasting social impact. To support these efforts, we have established a dedicated trust, Pace Foundation, to undertake and facilitate the CSR initiatives and activities of the Pace Group.

₹ **36.47** million

CSR Expenditure for the Year



Distribution of dining supplies to a Government Primary School.  
**Doddabasti. July 2025**



Development of school infrastructure, including classrooms, compound wall, playground and essential facilities at a Government Primary School.  
**Doddabasti - Dec 25**



Development of school infrastructure, playground and seating facilities at a Government Higher Primary School.  
**Ramohalli - Dec 25**



Wheel Chair Distribution  
**Pragathi Charitable Trust - Dec 25**



Provision of essential classroom furniture and learning facilities  
**Ramohalli and Doddabasti - Jan 25**

## Digital Initiatives

We are advancing our digital governance framework through complete digitalisation of BESS service records, improving transparency, operational efficacy and data integrity across the organisation.

Automated data capture, supported by built-in quality assurance protocols, ensures accuracy and consistency, while cloud-based storage offers secure access and scalability. A centralised database architecture, equipped with a powerful search implementation and real-time synchronisation. This further enhances informed decision-making and operational responsiveness, supported by API-enabled integrations that ensure system interoperability across systems.

We have implemented strong access controls, including role-based permissions, audit trail monitoring and encrypted data transmission, to protect

confidential information and uphold governance standards. Comprehensive disaster recovery mechanisms further support business continuity and data resilience, helping us build a secure and resilient digital ecosystem.

We are also advancing digital integration across operational workflows through real-time monitoring systems, digital reporting frameworks, workflow automation initiatives and integrated operational dashboards. These initiatives are aimed at improving execution visibility, operational responsiveness and decision-making efficiency across manufacturing, project execution and lifecycle services.

### Data Management

- Automated data extraction
- Quality assurance checks
- Secure cloud storage

### Database Integration

- Centralised repository
- Advanced search capabilities
- Real-time synchronisation
- API integration-ready

### Access and Security

- Role-based permissions
- Audit trail tracking
- Encrypted transmission
- Disaster recovery backup





## FY2026 Achievements and Recognitions



Established a State-of-the-Art BESS Manufacturing Facility with **5 GWh Annual Capacity**



Successfully Listed on BSE & NSE



Dispatched **178 DC Blocks** from LPPL BESS Manufacturing facility



Earned **Great Place to Work®** Certification



**Best Talent Acquisition Strategy Award**  
at CHRO Vault Summit & Award 2026



**Leading HR transformation Award**  
at India HR Summit 2026





## Management

# Discussion and Analysis

### ECONOMY OVERVIEW

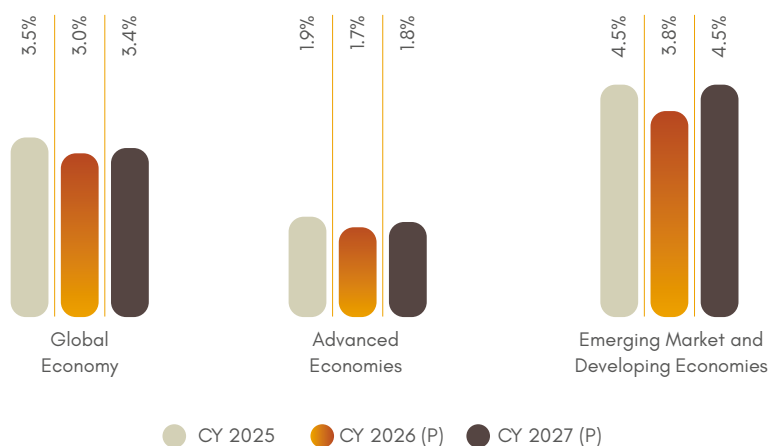
#### Global Economy<sup>1</sup>

During the year under review, the global economy demonstrated resilience, despite rising trade tensions, geopolitical uncertainties and disruptions across key energy corridors. Global GDP expanded by 3.5% in Calendar Year (CY) 2025, facilitated by resilient manufacturing activity, sustained investments in digital infrastructure, artificial intelligence, semiconductors and energy transition projects, alongside supportive fiscal measures across major economies. Growth was further aided by moderate inflationary pressures and relatively stable consumption trends across key markets, although momentum remained uneven across regions.

Advanced economies recorded 1.9% growth, led by the United States at 2.1% and Europe at 1.4%. Emerging Market and Developing Economies (EMDEs) outperformed, registering growth of 4.5%, supported by China's 5.0% growth and strong domestic demand in India. Meanwhile, geopolitical tensions in West Asia increased volatility in oil prices and logistics costs. These developments reinforced investments in resilient energy infrastructure, data connectivity networks, energy storage systems and diversified supply chains, while accelerating the diversification of global manufacturing and sourcing bases.

#### Global GDP Growth Trend

(in %)



P - Projection

Source - IMF, World Economic Outlook, July 2026



<sup>1</sup>World Economic Outlook

## Outlook

Global economic growth is expected to remain stable in the near term, with GDP projected to grow by 3.0% in CY 2026 and improve marginally to 3.4% in CY 2027. The outlook reflects gradual normalisation in inventory-led demand, tariff-related pressures, geopolitical uncertainties and softer consumption trends in key markets. While financial conditions remain relatively tight, supportive policy measures across major economies are expected to sustain investment momentum.

Geopolitical developments, particularly those affecting energy supply routes, may create periodic volatility in fuel prices and logistics costs. This has reinforced the need for resilient energy systems, diversified supply chains and reliable communication infrastructure. The evolving landscape is driving a structural shift towards strengthening critical infrastructure to ensure reliability, efficiency and continuity.

## Indian Economy<sup>2</sup>

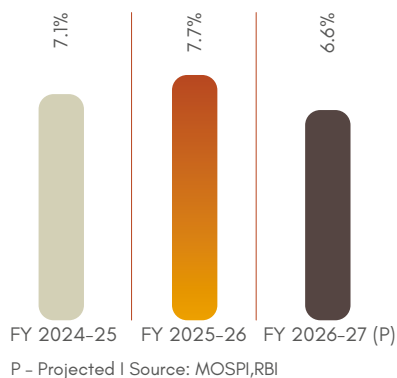
India has reinforced its position as one of the fastest-growing major economies, with real GDP estimated to expand by 7.7% in FY 2025-26, compared to 7.1% in the previous year. Economic growth remained supported by sustained public capital expenditure, a revival in private investment, resilient rural consumption and improving manufacturing activity. Government initiatives such as the Production Linked Incentive (PLI) Scheme, Make in India and Aatmanirbhar Bharat are helping build a stronger manufacturing ecosystem and advancing infrastructure development.

The Government's focus on telecom connectivity, digital infrastructure and renewable energy is creating a favourable environment for infrastructure-led sectors, including telecom, power systems and energy storage. Macroeconomic stability, supported by moderate inflation,

an accommodative monetary environment and ongoing policy reforms, has improved investment visibility and business confidence. These structural drivers are expected to sustain long-term capital expenditure across infrastructure-led sectors, creating opportunities for companies with integrated manufacturing and execution capabilities.

## India's GDP Growth Trend

(in %)



## Outlook

India is expected to maintain a strong growth trajectory, supported by continued expansion in infrastructure, manufacturing and the digital

economy. High-capacity utilisation, improving credit growth and the Government's sustained focus on capital expenditure are likely to support investment activity and drive demand across major industrial segments.

However, the economy remains exposed to global energy price volatility due to its dependence on crude oil imports. Geopolitical developments, particularly in oil-producing regions, may influence fuel, logistics and input costs, thereby impacting industry cost structures.

At the same time, trade integration is expected to strengthen through ongoing Free Trade Agreement (FTA) initiatives and export-oriented reforms, further supporting manufacturing and engineering activity.

Overall, the macroeconomic environment remains favourable, backed by strong domestic fundamentals, although external uncertainties and financial strains may influence growth dynamics. These macroeconomic and structural trends are expected to sustain demand across telecom infrastructure and energy storage segments, creating a favourable outlook for industry participants.



<sup>2</sup>ANNUAL GROSS DOMESTIC PRODUCT FOR 2025-26



## COMPANY OVERVIEW

Pace Digitek Limited, incorporated in 2007 and headquartered in Bengaluru, is an integrated infrastructure solutions provider serving the telecom and energy sectors. The Company operates through two business verticals, Telecom & ICT and Energy, offering services across manufacturing, EPC, system integration and O&M. The Telecom & ICT business covers telecom towers, optical fibre networks and telecom power systems, while the Energy segment focuses on BESS, renewable energy integration and solar EPC solutions. Backed by in-house manufacturing capabilities and an integrated execution model, the Company is positioned to deliver projects with greater efficiency and scalability. Growing investments in digital connectivity, renewable energy and energy storage infrastructure are expected to support its long term growth prospects.

## TELECOM & ICT SEGMENT

### Global Telecom Industry<sup>3</sup>

The global telecom industry remains a foundational pillar of digital

connectivity, supporting economic activity, enterprise transformation and consumer communication worldwide. The global telecom market was valued at USD 3.19 trillion in CY 2026, reflecting its scale and strategic importance across economies. The sector remains characterised by high capital intensity, increasing data consumption and sustained investments in network infrastructure.

### Outlook

The industry is expected to maintain steady expansion, with the market projected to reach USD 3.91 trillion by CY 2029, implying a CAGR of 5.3%. Growth is expected to be supported by continued investments in 5G networks, fibre infrastructure and enterprise connectivity. Increasing digitalisation, rising data consumption and growing demand for low-latency networks are also expected to support the sector, alongside ongoing investments in telecom infrastructure modernisation.

### Indian Telecom Industry

India's telecom sector continues to serve as a critical enabler of economic

activity, supporting digital services, financial services, logistics and enterprise ecosystems. The industry is witnessing sustained investments in network rollout, fibre deployment and telecom infrastructure modernisation, creating substantial opportunities across EPC, OFC deployment, network integration and managed services.

India has a subscriber base of over 1,330.58 Million and more than 1.07 Billion broadband subscribers, underscoring the scale of the digital connectivity ecosystem. Rising smartphone penetration, increasing data consumption and expanding broadband access are expected to sustain demand for telecom infrastructure over the long term.



**India ranks as the second largest telecom market by subscribers, reflecting the scale and depth of its digital infrastructure.**



<sup>3</sup>Telecom Market Report 2026

## Outlook

The Indian telecom sector is expected to witness sustained investments as operators expand 5G coverage, enhance network quality and strengthen digital infrastructure across urban and rural markets. Growing demand for reliable, high-capacity connectivity is expected to drive continued investments in network modernisation and next-generation telecom infrastructure.

Government initiatives such as BharatNet, Right of Way (RoW) reforms and continued investments in digital infrastructure are improving execution visibility across telecom projects and broadband expansion. These initiatives are expected to strengthen project pipelines and accelerate the deployment of telecom infrastructure across underserved regions.

Going forward, increasing Base Transceiver Station (BTS) deployments, stricter Quality of Service (QoS) requirements, network modernisation and increasing outsourcing of deployment and maintenance activities are expected to support long-term demand for integrated telecom infrastructure solutions and lifecycle services.

### Growing Demand for Integrated Telecom Infrastructure Services

Telecom operators are increasingly shifting from fragmented project execution towards integrated delivery models that combine design, equipment supply, telecom power infrastructure, optical fibre deployment, network integration and lifecycle maintenance under a single execution partner. This transition is enhancing execution efficiency, reducing deployment timelines and creating larger, multi-service contract opportunities. Companies with integrated manufacturing, EPC execution and long-term O&M capabilities are therefore well positioned to benefit from this evolving procurement approach.



### Telecom Tower Industry in India

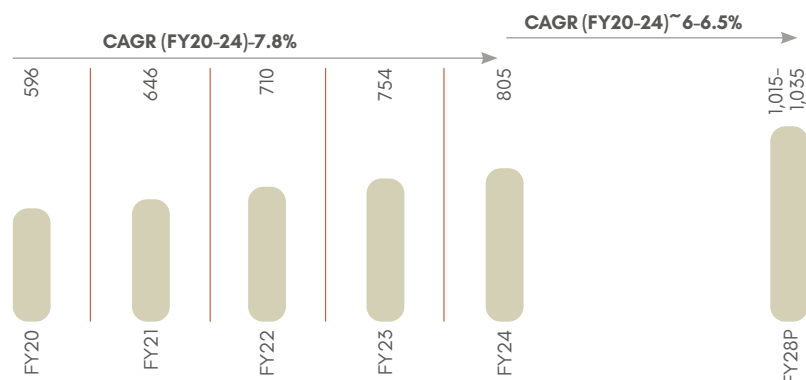
India's telecom tower industry has emerged as a critical pillar of the country's digital infrastructure, supporting expanding wireless services and rising data consumption. As of FY2024, the total number of telecom towers in India stood at ~ 0.754 Million, compared to around 0.596 Million in FY2020, reflecting a CAGR of ~7.8%. This growth has been driven by network expansion in rural markets and continued investments in 4G and early-stage 5G rollouts.

The industry is increasingly focusing on infrastructure sharing and network densification and energy-efficient telecom power solutions to support ongoing 5G deployment. Increasing

energy requirements at telecom sites are also driving demand for advanced telecom power systems, remote monitoring and lifecycle maintenance services.

Tower infrastructure remains a strategic component of telecom network expansion, supporting sustained investments across wireless connectivity and digital infrastructure. Growing data consumption, ongoing 5G rollout, urban densification and continued rural network expansion are expected to sustain demand for tower infrastructure over the medium term.

### Number of towers in India (unit in '000)



Source: Crisil Intelligence



### Optical Fibre EPC Industry in India<sup>4</sup>

India's optical fibre EPC industry has become a critical enabler of the country's telecom infrastructure, driven by rising data consumption, rapid 4G and 5G rollout, and increasing broadband penetration across urban and rural markets. The industry encompasses end-to-end activities including deployment

and maintenance, positioning EPC providers at the centre of India's digital infrastructure build-out.

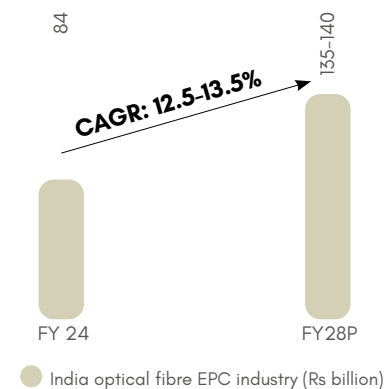
The telecom optical fibre EPC market was estimated at about ₹84 billion in FY2024 and is projected to reach nearly ₹135-140 billion by FY 2028. Telecom tower fibreisation in India remains significantly below global benchmarks, indicating substantial headroom for future expansion. This continues to support increasing fibre deployment requirements across telecom networks.

<sup>4</sup>Assessment of telecom tower, optical fibre EPC, solar energy and rural electrification markets in India



Growth is further supported by increasing fibreisation of telecom towers, BharatNet expansion, smart city initiatives, rising enterprise data demand and growing last-mile connectivity requirements.

### Optical Fibre EPC Industry in India



Source : Crisil Intelligence

### Outlook

The outlook for the optical fibre EPC industry remains strong, backed by continued investments by telecom operators, government-led broadband initiatives and rising demand for digital infrastructure.

Additional demand is expected from Fibre-to-the-Home (FTTH) connections, data centres, defence communication networks and rural

broadband expansion, supporting sustained medium-term growth.

The industry is also witnessing strong execution visibility for EPC players, supported by initiatives such as the National Broadband Mission (NBM) 2.0 and the increasing focus on tower fibreisation.



### Adjacent Growth Opportunity: Railways Digital Infrastructure

Beyond traditional telecom networks, similar communication infrastructure requirements are emerging across adjacent sectors such as Indian Railways. The ongoing modernisation of the railway network is driving investments in high-capacity communication systems, optical fibre networks, telecom towers and digital surveillance infrastructure, creating a significant opportunity for telecom EPC companies to leverage their engineering and execution capabilities across a broader infrastructure ecosystem.

This transformation is supported by a capital allocation of Rs 2.93<sup>5</sup> lakh crore in the Union Budget 2026-27 and a

dedicated safety outlay of Rs 1.17 lakh crore. These investments are driving large-scale digital transformation across the railway network.<sup>6</sup> Key initiatives include the deployment of the indigenous Kavach safety system, alongside the deployment of a Unified Telecom Backbone based on IP MPLS technology across railway stations, enabling the development of a high-capacity and integrated communication network.

These programmes involve large-scale deployment of 2x48 core Optical Fibre Cables (OFC), deploying telecom towers and installing AI-based Video Surveillance Systems (VSS) across 1,874 stations.<sup>7</sup> Parallel initiatives, including the implementation of advanced Electronic Interlocking systems across 6,660 stations and ongoing signalling upgrades, are further enhancing the digital backbone of railway operations. Collectively, the scale, technical complexity and execution intensity of these initiatives closely resemble telecom infrastructure deployment, positioning railway digital infrastructure as an adjacent growth vertical and a strong diversification opportunity within a sustained government-led capital expenditure cycle.<sup>8</sup>



<sup>5</sup>Ministry of Railways <sup>6</sup><https://www.pib.gov.in/PressReleaseDetailm.aspx?PRID=2227687&reg=3&lang=2#> <sup>7</sup>PIB

<sup>8</sup>RAILWAY GRIEVANCES IN HINGOLI LOK SABHA CONSTITUENCY

## INDUSTRY DEVELOPMENTS

### Rising Tower Fibreisation

Telecom operators are increasing fibre connectivity to towers to support higher data traffic and improve network quality, creating sustained demand for optical fibre EPC services.

### 5G Standalone and Enterprise Networks

Increasing deployment of private networks, enterprise connectivity and 5G Standalone architecture is driving investments in advanced telecom infrastructure, creating opportunities across EPC, integration and managed services.

### BharatNet and Rural Broadband Growth

Government-led rural connectivity programmes are expanding fibre networks into underserved regions, increasing EPC opportunities in village and semi-urban markets.

### Growth in Broadband and FTTH Connections

Rising household and enterprise demand for high-speed internet is driving investment in FTTH and last-mile fibre infrastructure.



### Key Trend



### Telecom Power Infrastructure Modernisation

Rising network densification and higher energy requirements at telecom sites are driving investments in advanced telecom power systems, energy-efficient infrastructure and remote monitoring solutions, creating opportunities for integrated telecom infrastructure providers.

### Integrated EPC and Managed Services

Telecom operators are increasingly outsourcing end-to-end network deployment, integration and lifecycle maintenance, creating long-term opportunities for EPC and managed service providers.

### Enterprise Data and Data Centre Demand

Expansion of cloud services, enterprise digitisation and data centre capacity is increasing demand for high-capacity fibre connectivity.

### Smart Cities and Digital Infrastructure Projects

Smart city initiatives, intelligent transport systems and urban digital infrastructure projects are increasing investments in fibre networks.



### Telecom & ICT Business Overview

The Company operates an integrated Telecom & ICT business encompassing product manufacturing, EPC execution and O&M services. This integrated approach enables the Company to participate across multiple stages of the telecom infrastructure lifecycle while leveraging common engineering, project execution and service capabilities across its operations.

The Company's Telecom & ICT portfolio includes telecom power systems, telecom tower infrastructure, optical fibre networks and ICT solutions. Its capabilities range from manufacturing selected telecom power products to executing network infrastructure projects and providing long-term O&M services. The Company serves telecom operators, tower companies, enterprise customers and government agencies through a nationwide execution network supported by an experienced technical workforce.

During the year, the Telecom & ICT business contributed to the Company's diversified business model, with activity spanning project execution and recurring service contracts. Alongside telecom infrastructure projects, the Company undertook fibre network, ICT and maintenance assignments, supporting long-term customer engagement across multiple infrastructure segments.



### The business model is underpinned by

- Execution-led delivery capabilities across large-scale telecom EPC projects
- Integrated offerings spanning infrastructure deployment, power solutions and maintenance
- Established relationships with major telecom clients, enabling repeat order inflows

### FY2026 Telecom & ICT Business Performance

The Telecom & ICT segment benefited from sustained investments in digital infrastructure, driven by network expansion, fibre deployment and increasing data consumption.

During the year, the Company also expanded its participation in Optical Fibre Cable (OFC) deployment projects, responding to growing fibreisation requirements across telecom networks and government-led broadband initiatives.

Execution remained a key focus during the year. The Company successfully completed the deployment phase of the BSNL 4G Saturation Project and transitioned into the O&M phase, demonstrating its ability to support customers across the infrastructure lifecycle. It also successfully completed the Tamil Nadu FibreNet Corporation Limited (TANFINET) project, further strengthening its execution track record in large-scale fibre network deployment.

its expertise in tower infrastructure, communication networks and optical fibre deployment, the Company is also pursuing opportunities emerging from railway modernisation programmes across various corridors.

As of May 25, 2026, Telecom & ICT order book stood at Rs 24,839 Million, providing strong revenue visibility supported by a balanced mix of EPC execution, recurring O&M contracts and energy solutions across government and private sector clients.

Going forward, the Company will focus on expanding its Telecom & ICT business by leveraging its integrated EPC, product and O&M capabilities. Continued investments in digital infrastructure, fibreisation, network modernisation and telecom energy solutions is expected to support demand across both government and private sector markets.

**Telecom & ICT Order Inflow During FY2026**

| Client                                      | Order Details                                                                        | Type     | Rs. Mn       |
|---------------------------------------------|--------------------------------------------------------------------------------------|----------|--------------|
| Railtel                                     | Deployment of IP-Based Video Surveillance Systems in LHB Coaches of Indian Railways  | EPC      | 891          |
| Indian Railways (Jodhpur Division)          | 100 Railway Tower Infrastructure                                                     | EPC      | 226          |
| Tata Teleservices                           | Operation and Maintenance of South Circle                                            | O&M      | 1,859        |
| BSNL                                        | 25,000 advanced Li-ion battery modules (100 AH/48V) alongside 2,500 IP55-rated racks | Supply   | 944          |
| BSNL                                        | 25,000 advanced Li-ion battery modules alongside 2,500 IP55-rated racks              | Supply   | 944          |
| Reliance                                    | Power Equipment                                                                      | Job work | 1,587        |
| <b>Total Telecom &amp; ICT Order Inflow</b> |                                                                                      |          | <b>6,450</b> |

The segment witnessed strong order inflows during the year, aggregating to Rs 6,450 Million, reflecting strong traction across EPC, O&M and supply segments. Major project wins included mandates from RailTel and Indian Railways for telecom infrastructure and surveillance systems, Tata Teleservices for O&M contracts and BSNL for energy solutions, including Li-ion battery systems. The Company also secured orders from private telecom

operators and OFC deployment projects, highlighting its ability to win diversified mandates across telecom, railway and energy-linked infrastructure.

The Company is also actively participating in opportunities associated with the Kavach railway safety initiative, where it is focused on providing telecom and network infrastructure solutions. Leveraging



## ENERGY

### Global Battery Energy Storage System (BESS) Market

The global energy transition is entering a new phase. While the past decade focused on accelerating renewable energy capacity addition, the industry's attention is increasingly shifting towards delivering clean power reliably and efficiently. This is positioning BESS as a critical component of modern power infrastructure.

The continued expansion of renewable energy, rising electricity demand and rapid growth of power-intensive infrastructure such as data centres are increasing the need for flexible energy systems capable of balancing supply and demand in real time. At the same time, evolving electricity markets are placing greater emphasis on grid resilience and system reliability, expanding the role of BESS beyond utility-scale projects to Commercial and Industrial (C&I) applications, digital infrastructure and distributed energy systems.

This structural shift is reflected in the pace of global deployment. Around 108 GW of new battery storage capacity was added during CY2025 globally, representing a 40% increase over the previous year, while cumulative installed capacity has grown nearly 11x since CY2021. Utility-scale projects accounted for nearly 80% of new deployments, reflecting the increasing role of battery storage in supporting large-scale renewable integration, while commercial and residential behind-the-meter installations also continued to gain traction. Developed markets such as the United States, Europe and Australia are leading this transition, supported by policy incentives, market reforms and increasing renewable energy penetration, resulting in wider integration of battery storage across utility-scale power systems.

#### Outlook<sup>9</sup>

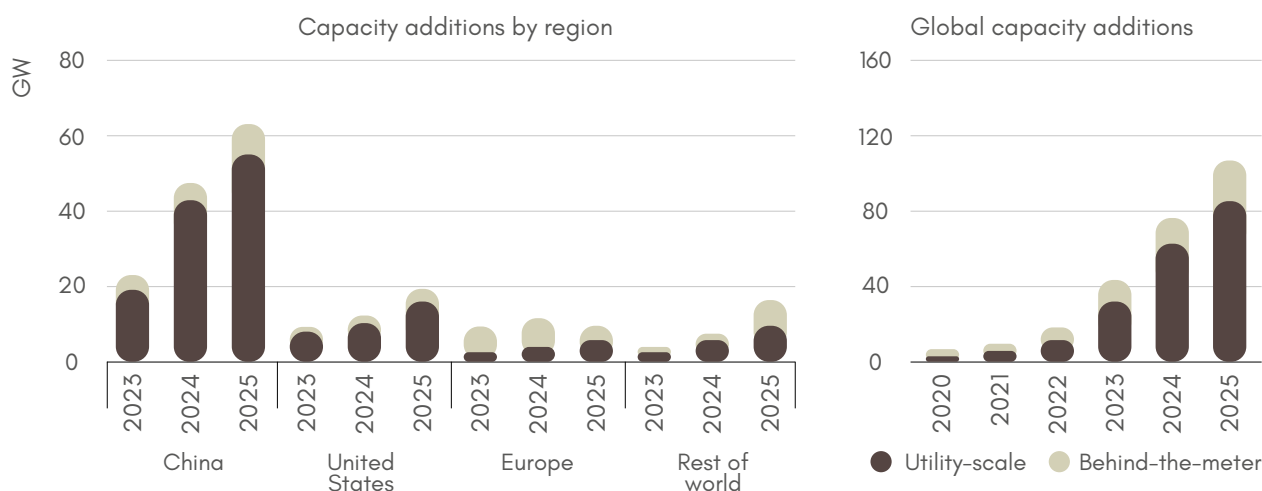
The momentum is expected to persist as governments across major economies advance their clean energy transition strategies. Global

climate commitments, including outcomes from COP28, have further reinforced the role of energy storage in accelerating the clean energy transition. Commitments to scale up renewable energy capacity and transition away from unabated fossil fuels are increasing the need for flexible grid infrastructure, where battery storage plays a critical role in managing intermittency and enabling reliable integration of renewables.

As per industry estimates, battery storage is emerging as a significant source of short-term grid flexibility, while declining battery costs are improving the commercial viability of storage solutions across utility-scale and distributed applications. In addition, more than 2,500 GW of renewable, storage and large-load projects are currently awaiting grid connectivity globally, highlighting the growing requirement for flexible storage infrastructure and grid modernisation.

### Battery Storage Capacity Additions Across Key Regions and Global Markets

**Battery storage capacity additions in selected regions, 2023-2025, and global capacity additions, 2000-2025**



Note: 2025 values are based on Benchmark (2026) data.

Source: IEA

<sup>9</sup>INTERNATIONAL ENERGY AGENCY



## BESS: Enabling India's Next Phase of Energy Transition

India's energy transition is entering a new phase, where the emphasis is shifting from renewable energy capacity addition to building a more flexible, resilient and reliable power system. As the share of solar and wind generation increases, BESS are emerging as a critical component of India's energy infrastructure by supporting reliable integration of renewable energy and improving overall power system resilience.

The National Electricity Plan (NEP) 2023 projects India's battery energy storage requirement to increase from 34.72 GWh by FY2027 to 236.22 GWh by FY2032, underscoring the growing role of energy storage in supporting renewable integration and maintaining grid stability. Looking further ahead, the NEP estimates

India's BESS requirement could reach 1,840 GWh by 2047, reflecting the long-term importance of storage in the country's evolving electricity system.<sup>10</sup>

While utility-scale renewable integration is expected to remain the primary driver of demand, the adoption of battery storage is gradually expanding across a broader range of applications. Increasing deployment across telecom infrastructure, commercial and industrial facilities, data centres, distributed energy systems and emerging sectors such as green hydrogen is expected to broaden the role of BESS within India's energy ecosystem. As these applications mature, battery storage is likely to become an increasingly important enabler of reliable, efficient and low-carbon power infrastructure.



## Policy and Procurement Ecosystem Accelerating BESS Deployment

India's battery energy storage market has evolved rapidly from pilot projects to competitively bid, utility-scale deployments. Public sector agencies, state utilities and renewable energy developers are increasingly incorporating battery storage into their procurement strategies, reflecting the growing importance of storage in supporting grid reliability and renewable energy integration.

Procurement frameworks have also evolved significantly. While early projects primarily focused on standalone battery storage, recent tenders increasingly integrate storage with renewable energy through Standalone BESS, Round-the-Clock (RTC) and Firm and Dispatchable Renewable Energy (FDRE) models, reflecting the growing role of storage in utility-scale power procurement.

The market is further supported by a strengthening policy and regulatory framework. Initiatives such as the National Energy Storage Mission (NESM), Production Linked Incentive (PLI) scheme for Advanced Chemistry Cells (ACC), Viability Gap Funding (VGF) for BESS projects and the Energy Storage Obligation (ESO) are encouraging investment across the battery storage value chain while supporting domestic manufacturing and wider adoption of energy storage solutions. In addition, several state governments have introduced energy storage policies and procurement programmes to accelerate deployment across their respective power systems.

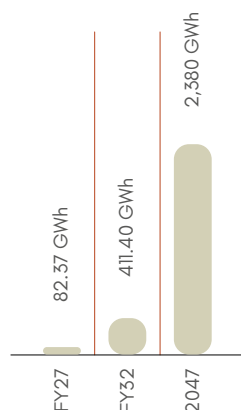
Collectively, these developments are laying the foundation for a more mature battery storage ecosystem in India by improving project visibility, strengthening domestic capabilities and supporting the transition towards commercial-scale deployment.



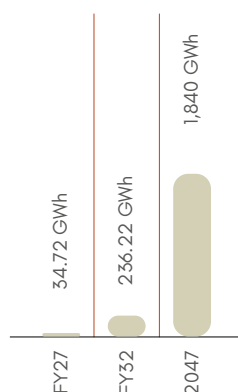
**While utility-scale projects are expected to remain the primary growth driver, BESS adoption is gradually expanding across telecom infrastructure, C&I facilities, data centres, green hydrogen and other emerging applications, creating multiple avenues for long-term market growth.**



### Total Energy Storage Requirement



### BESS Requirement



Source: NEP

<sup>10</sup> [MINISTRY OF NEW AND RENEWABLE ENERGY](https://www.ministryofnewandrenewableenergy.gov.in/)



**India's BESS market is evolving from pilot projects to utility-scale deployment, supported by structured procurement frameworks, supportive policy initiatives and increasing integration of storage with renewable energy projects.**

### Policy Framework Supporting Energy Storage Adoption in India

| <b>National Energy Storage Mission (NESM)</b>                             | <b>Production Linked Incentive (PLI) schemes</b>                     | <b>Viability Gap Funding (VGF)</b>                                  | <b>Renewable-linked tenders (RTC / FDRE)</b>                    | <b>Energy Storage Obligation (ESO)</b>                                | <b>State-level mandates and procurement initiatives</b>            |
|---------------------------------------------------------------------------|----------------------------------------------------------------------|---------------------------------------------------------------------|-----------------------------------------------------------------|-----------------------------------------------------------------------|--------------------------------------------------------------------|
| Strong policy framework supporting large-scale adoption of energy storage | Encouraging domestic manufacturing and localisation of supply chains | Backing early-stage BESS projects by improving commercial viability | Mandating integration of storage with renewable energy projects | ESO for utilities increasing from 1% in FY24 to 4% FY30 <sup>11</sup> | Accelerating adoption across utilities and infrastructure segments |

While the ecosystem remains import-dependent in the near term, ongoing localisation efforts are expected to improve supply chain resilience and cost competitiveness. This evolving ecosystem, combined with strong demand visibility, is expanding opportunities across the BESS value chain, including manufacturing, EPC, system integration and operations and maintenance services.

### Expanding Applications Driving Long-term Demand

BESS is increasingly being deployed alongside renewable energy, conventional power systems and distributed energy solutions to improve reliability and optimise power delivery across a wide range of applications. Hybrid energy solutions combining renewable energy, battery storage and conventional backup are supporting uninterrupted power supply across telecom infrastructure, commercial and industrial facilities, critical infrastructure and remote locations.

The increasing adoption of modular and containerised BESS solutions

is also improving deployment flexibility, scalability and execution efficiency. These advancements are expanding the applicability of battery storage across multiple end-use sectors and supporting broader commercial adoption of integrated energy solutions.

### Renewable Energy Integration Boosting BESS Demand

India's renewable energy programme is entering a new phase of growth, with increasing emphasis on integrating large-scale renewable capacity into

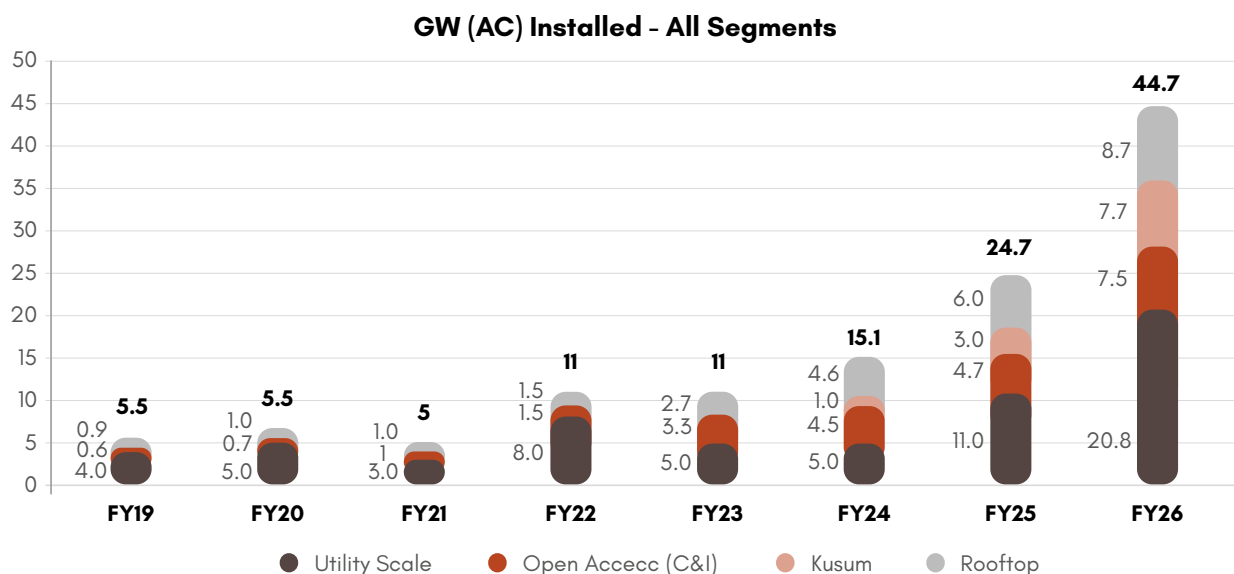
a reliable and resilient power system. According to the National Electricity Plan, renewable energy capacity is expected to increase to around 500 GW by FY2030, including 365 GW of solar and 121 GW of wind capacity by FY2032, creating a substantial requirement for energy storage infrastructure.



<sup>11</sup>INDIA SMART GRID FORUM



## Annual Solar Installations



As renewable energy penetration increases, battery storage is becoming an essential component of the electricity system by enabling greater utilisation of renewable generation, improving system flexibility and supporting reliable power supply during periods of intermittent generation. The National Electricity Plan projects India's battery energy storage requirement to increase from 34.72 GWh by FY2027 to 236.22 GWh by FY2032, reflecting the scale of storage needed to support the country's clean energy transition.

**365 GW + 121 GW → 486 GW → 236 GWh**

Solar                      Wind                      Renewable Capacity                      BESS

**India's planned expansion to 365 GW of solar capacity by FY2032 is expected to be supported by 236 GWh of battery energy storage, highlighting the growing role of BESS in enabling large-scale renewable energy integration.**





## Growth Drivers

| Growth Driver                                                                                                                                       | Key Impact                                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Expansion of Renewable Energy Capacity</b>                      | Rapid growth in solar and wind capacity is increasing the need for BESS to integrate variable renewable generation, improve grid reliability and support firm power delivery.                                                                                               |
| <b>Supportive Policy and Regulatory Framework</b>                  | National Energy Storage Mission, PLI scheme, VGF, Energy Storage Obligation (ESO) and state-level policies are accelerating investments and commercial deployment across the energy storage value chain.                                                                    |
| <b>Grid Modernisation and Utility-scale Deployment</b>             | Modernisation of the transmission and distribution network, coupled with the growing pipeline of standalone BESS, RTC and FDRE projects are driving large-scale deployment of BESS to improve grid flexibility and system reliability.                                      |
| <b>Growth in Telecom, Data Centers and Digital Infrastructure</b>  | Expansion of telecom networks, 5G rollout and increasing data center capacity are creating demand for reliable, efficient and low-maintenance battery-based backup power solutions.                                                                                         |
| <b>C&amp;I Adoption</b>                                          | C&I consumers are increasingly adopting battery storage to enhance energy reliability, optimise electricity costs, reduce diesel dependence and support renewable energy integration.                                                                                       |
| <b>Domestic Manufacturing and Localisation</b>                   | Investments in domestic cell manufacturing, battery assembly and system integration are strengthening the local supply chain, improving cost competitiveness and supporting the long-term growth of India's battery storage ecosystem.                                      |
| <b>Energy Transition Decarbonisation</b>                         | India's clean energy and net-zero ambitions are accelerating the transition towards low-carbon power systems, with battery storage playing an increasingly important role in enabling renewable energy integration and reducing reliance on conventional balancing sources. |

## Outlook

India's battery energy storage market is expected to witness sustained long-term growth, supported by increasing renewable energy deployment, evolving procurement frameworks, strengthening policy support and expanding adoption across multiple end-use sectors. As the market matures, battery storage is expected to play an increasingly important role in enhancing grid resilience, improving energy reliability and supporting the country's clean energy transition.

Beyond the requirements outlined in the National Electricity Plan, independent industry studies indicate that India's FTM BESS market could exceed 500 GWh of cumulative deployments by 2033 under an accelerated adoption scenario. This reflects the expanding opportunity across utility-scale renewable projects, distribution utilities, open access, commercial and industrial applications, telecom infrastructure and emerging clean energy segments.

As project capacities increase and deployment scales up, manufacturing capability, system integration expertise, project execution and long-term operations and maintenance services are expected to become key differentiators across the battery storage value chain.

## ENERGY SOLUTIONS BUSINESS OVERVIEW

The Company's Energy Solutions business represents a strategic adjacency to its core telecom and infrastructure operations, utilising established capabilities in power systems, telecom energy infrastructure and EPC execution. As telecom networks expand and infrastructure densification accelerates, demand for reliable, efficient and hybrid energy solutions at the site level is increasing, driving convergence with BESS.

The Company provides integrated energy solutions across BESS, solar EPC and hybrid deployments, spanning design, supply, installation, operations and maintenance services. Its product portfolio includes containerised BESS systems, Power Conversion Systems (PCS), Energy Management Systems (EMS) and cloud-based monitoring and analytics, enabling deployment across both site-level and grid-scale applications. This positions the Company to address requirements across distributed energy solutions as well as large utility-scale projects.

The Company is progressively enhancing localisation, assembly integration and value-chain participation across selected components and infrastructure systems to improve execution control, supply visibility and cost optimisation. Its current approach remains focused on phased capability enhancement, selective integration and coordinated supply-chain development, aligned with evolving business scale, execution requirements and project visibility.

The Company is also advancing its manufacturing capabilities and selective backward integration



initiatives, including the expansion of containerised energy storage solutions. These efforts are aimed at improving deployment readiness, enhancing cost competitiveness and supporting future business growth.



**Given the scale and complexity of large-scale BESS projects, which require phased execution and are dependent on approvals, funding, equipment availability and supply chains, the Company selectively pursues EPC and BOO opportunities with a focus on execution excellence, capital discipline and efficient project delivery.**



### Execution Capabilities and Operational Strengths

The Company has developed strong execution capabilities through its extensive experience in telecom and energy infrastructure projects. Its well-established vendor ecosystem, robust supply chain network and proven ability to manage large-scale, multi-location projects enable timely and efficient project execution.

The Company's operating model is focused on execution excellence, cost optimisation and disciplined working capital management, supporting efficient deployment across complex projects. Continued investments in digital systems, process automation and Management Information Systems (MIS) are further strengthening operational visibility, execution control and scalability.

These capabilities position the Company to support the growing demand for integrated energy solutions, expand its manufacturing-led business, build its BOO portfolio and deepen participation across the energy infrastructure value chain.

### FY2026 Energy Segment Business Performance

FY 2025-26 marked an important year for the Company's Energy Solutions business, with operations commencing across BESS, solar EPC and hybrid energy solutions, alongside progress in developing manufacturing and execution capabilities within the energy storage ecosystem.

#### Manufacturing Scale-up

The Company advanced its manufacturing initiatives in containerised energy storage solutions, system integration capabilities and deployment readiness, while strengthening vendor partnerships, supply-chain coordination and execution infrastructure to support future scale-up opportunities. The Company currently has manufacturing capacity of 2.5 GWh for containerised energy storage solutions and is progressing towards planned expansion to 10 GWh by the end of CY 2026, aligned with demand visibility, the project pipeline and execution requirements.

#### Order Execution

During the year, the Company successfully delivered 178 BESS units across a diversified customer base, reflecting initial execution traction within the energy storage segment. The Company's subsidiary and manufacturing focused entity, Lineage

Power Private Limited, also reached capacity utilisation of ~80% during the year, supported by increasing manufacturing activity, project execution requirements and growing demand for BESS solutions.

The Energy Solutions segment witnessed strong business traction during the year, supported by diversified order inflows aggregating to Rs 58,147 Million in FY2026, reflecting increasing scale across BESS, solar EPC and hybrid energy solutions. The order book includes marquee projects from central and state agencies such as MSEDCL, KPTCL, KREDL, SECI, NTPC and MAHAGENCO, along with private sector engagements, demonstrating the Company's expanding across both utility-scale and Commercial and Industrial (C&I) segments.

During FY2026, the Company secured Energy order inflows of 3.20 GWh, valued at ₹58,147 Million, across BOO, EPC and supply businesses. The order portfolio comprises utility-scale standalone BESS, solar-plus-storage, solar EPC and equipment supply contracts, providing a balanced mix of asset ownership, project execution and product supply. This diversified order profile broadens the Company's participation across the energy storage value chain while supporting revenue visibility across multiple business models.



## Energy Order Inflow During FY 2026

### Diversified Order Book

The Energy order book stood at Rs 88,540 Million (as on May 25, 2026), comprising a diversified mix of BOO projects (50.1%), EPC contracts (49.8%) and supply contracts (0.1%). The diversified order mix provides revenue visibility across both execution-based and annuity-linked business models, particularly for projects involving long-term operations and maintenance components. During the year, the revenue mix remained primarily driven by EPC and execution activities, while BOO projects are expected to contribute progressively as operationalisation advances and annuity-linked revenue streams scale up over the project lifecycle.

| Client     | Business Vertical | Order Details                                                     | Type   | GWh         | Rs. Mn        |
|------------|-------------------|-------------------------------------------------------------------|--------|-------------|---------------|
| KPTCL      | BESS              | KPTCL Standalone BESS 250 MW/ 500 MWh                             | BOO    | 0.50        | 6,800         |
| KREDL      | Solar + BESS      | 250 MWAC Solar PV Project along with 250 MW/1100 MWh BESS         | BOO    | 1.10        | 17,750        |
|            |                   | <b>BOO Total</b>                                                  |        | <b>1.60</b> | <b>24,550</b> |
| SECI       | BESS              | SECI 600 MW/1200 MWh                                              | EPC    | 1.20        | 11,593        |
| MAHAGENCO  | Solar EPC         | MAHAGENCO 200 MW AC                                               | EPC    | -           | 9,298         |
| Bondada    | Solar BOS         | Balance of System (BOS) works for a 300 MW AC Solar Power Project | EPC    | -           | 3,757         |
| NTPC       | BESS EPC          | BESS EPC + 11-year maintenance                                    | EPC    | 0.40        | 5,836         |
|            |                   | <b>EPC Total</b>                                                  |        | <b>1.60</b> | <b>30,484</b> |
| L&T        | BESS              | Supply of BESS and other related equipment                        | Supply |             | 1,994         |
| Advait     | BESS              | Supply of BESS and other related equipment                        | Supply |             | 997           |
| Yaqui Chen | BESS              | BESS Gooseneck Trailers                                           | Supply |             | 122           |
|            |                   | Supply Total                                                      |        |             | 3,114         |
|            |                   | <b>Total Energy Order Inflow</b>                                  |        | <b>3.20</b> | <b>58,147</b> |

### BESS Project Execution

During FY2026, the Company made significant progress in the execution of its first BESS project under the BOO model- 750 MW / 1,500 MWh MSEDCL Standalone BESS project in Maharashtra.

### Key highlights



480 MWh BESS capacity commissioned during the year



While revenue and the finance lease receivable are recognised upon commissioning, the related contractual cash inflows will be received over the 12-year project tenure as per the agreed payment schedule. As additional project sites achieve COD, the corresponding revenue and finance lease receivable will be recognised.



For the commissioned project sites, the Company has accounted for the arrangement under the dealer-lessor model in accordance with Ind AS 116. Accordingly, revenue is recognised upon commissioning based on the contractual terms, and a finance lease receivable, representing the present value of committed contractual payments over the 12-year project tenure, is recognised in the Balance Sheet.



The project is being executed under a 12-year BOO model, providing long-term recurring revenue visibility through contracted annuity payments.



The commissioned sites became operational ahead of their respective Commercial Operation Date (COD) and commenced operations in line with contractual milestones.



## Year Ahead

Demand across public and private sectors is expected to grow, driven by energy cost optimisation, reliability requirements, reduced diesel dependency and increasing renewable energy integration. Rising requirements for grid stability are further accelerating adoption of BESS, supporting medium- to long-term demand visibility.

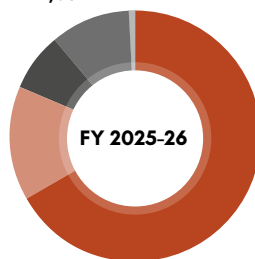
With capabilities across BESS solutions, solar EPC and hybrid project execution, the Company is well positioned to participate in both site-level and utility-scale opportunities. Its focus on supply-chain optimisation, selective backward integration and disciplined project selection, together with strong order inflows and increasing participation in large-scale tenders, places the Company to capitalise on emerging opportunities in India's energy transition.

## Consolidated Order Book Summary

Pace Digitek's order book reflects a diversified mix of telecom, energy and infrastructure projects, providing strong revenue visibility and supporting sustained business growth. The diversified order pipeline across EPC, telecom infrastructure and energy storage segments positions the Company to capitalise on emerging opportunities across digital and energy infrastructure markets.

## Telecom & ICT Order Book

₹ 24,839 Mn



- EPC + O&M - 66.8%
- EPC - 14.6%
- O&M - 7.7%
- Supply - 10.3%
- Others - 0.6%

(As on May 25, 2026)

## Operational Scale-Up and Business Diversification

The Company's financial performance during FY2026 reflected continued business diversification, improving execution capabilities and growing participation across telecom and energy infrastructure markets. Revenue growth was supported by sustained activity in telecom infrastructure deployment, optical fibre network execution and telecom power systems, alongside increasing contributions from energy storage manufacturing, BESS projects and renewable energy-linked opportunities.

## Energy Business Scale-Up and Execution Expansion

The Energy segment gained strategic importance, supported

by increasing opportunities across BESS manufacturing, energy storage integration and renewable infrastructure applications. The Company expanded its position across utility-scale energy storage projects through EPC and BOO execution models while advancing localisation initiatives, manufacturing automation and integrated deployment capabilities.

The Energy Solutions business remains in a scale-up and capability-building phase. Accordingly, profitability and operating performance may vary depending on project mix, execution timelines, customer composition, capacity utilisation levels and deployment phasing across emerging energy storage opportunities.

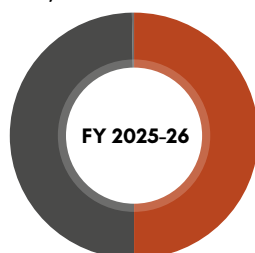
## Profitability and Operating Performance

Profitability during FY2026 reflected the evolving business mix, manufacturing scale-up and increasing participation in large infrastructure projects. Margin performance was influenced by project mix, execution phasing, capacity ramp-up and investments undertaken to support future growth across the energy storage value chain.

While operational scale improved significantly, the Company continued to invest in manufacturing capabilities, execution infrastructure, supply-chain readiness and organisational capacity to support emerging growth opportunities.

## Energy Order Book

₹ 88,540 Mn



- BOO - 50.1%
- EPC - 49.8%
- Supply - 0.1%



## Working Capital and Liquidity Management

The Company maintained a disciplined approach to working capital management through milestone-based billing structures, diversified customer exposure, supply-chain optimisation and selective project participation. Improving cash conversion efficiency, strengthening collections and maintaining balance sheet flexibility remain key management priorities.

Working capital requirements remained elevated in line with higher EPC execution, manufacturing operations and inventory build-up associated with energy infrastructure projects. Integrated execution capabilities, strengthening vendor relationships and improved operational coordination continued to support execution efficiency and working capital management.

## Capital Structure and Balance Sheet Strength

The Company maintained a strong balance sheet during the year. Total equity increased to Rs. 22,522 Million from Rs. 12,090 Million, reflecting the successful IPO and retained earnings generation during the year. The stronger capital base enhances financial flexibility and supports investments across manufacturing expansion, project execution capabilities and long-term growth initiatives.

Leverage increased primarily to support manufacturing capacity expansion, integrated project execution, energy asset creation and working capital requirements associated with business scale-up. However, the Company maintained a comfortable leverage profile.

## Capacity Creation and Execution Readiness

The Company continued to invest in manufacturing expansion, backward integration, technology platforms and execution capabilities across its telecom and energy infrastructure businesses. During FY2026, the

Company also recognised finance lease receivables of Rs. 5,315 Million following the commissioning and accounting recognition of 480 MWh capacity under the MSEDCL standalone BESS project.

Inventories increased to Rs. 5,403 Million as a strategic measure to support execution readiness, secure critical inputs and mitigate supply-chain, commodity price and foreign exchange risks. The Company also invested in manufacturing automation, localisation initiatives and integrated execution capabilities to support future growth.

## Receivables and Collections

Trade receivables increased to Rs. 24,422 Million in line with higher project execution during FY2026, particularly due to significant revenue recognition in the fourth quarter, milestone-based billing

structures and retention amounts associated with telecom and energy infrastructure projects. Collections have subsequently commenced and receivables are expected to normalise progressively during FY2027.

## Outlook<sup>2</sup>

Looking ahead, the Company will remain focused on disciplined project execution, improving return ratios, optimising working capital and increasing the contribution of the energy business to its overall portfolio. Building on the investments made during FY2026 across manufacturing expansion, energy infrastructure assets, localisation initiatives and integrated execution capabilities, the Company is well positioned to enhance execution capacity, drive sustainable revenue growth, improve operational efficiencies and create long-term value for all stakeholders.

| Particulars             | Rs .Mn  |        |         |
|-------------------------|---------|--------|---------|
|                         | FY 2026 | FY2025 | YoY (%) |
| Revenue from operations | 26,413  | 24,388 | 8.3%    |
| EBITDA                  | 4,552   | 4,817  | (5.5)%  |
| Profit Before Tax (PBT) | 4,295   | 3,839  | 11.9%   |
| Profit After Tax        | 3,073   | 2,791  | 10.1%   |





### Details Of Significant Ratio Changes

| Ratios                            | FY 2025-26 | FY 2024-25 | Increase / Decrease (%) | Reasons                                                                                                                                                                                                                        |
|-----------------------------------|------------|------------|-------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| EBITDA Margin                     | 17.24%     | 19.75%     | (12.74%)                | EBITDA margin was impacted by investments in manufacturing capacity, field operations, project execution capabilities and Organizational strengthening to support future growth.                                               |
| PAT Margin                        | 11.63%     | 11.44%     | 1.66%                   | Despite lower operating margins, PAT margin remained stable due to operating scale benefits and improved business volumes.                                                                                                     |
| Return on Equity (ROE)            | 13.64%     | 23.09%     | (40.90%)                | ROE moderated following the IPO-related increase in net worth and capital base. The benefits of the deployed capital are expected to accrue progressively as projects and manufacturing capacities ramp up.                    |
| Return of Capital Employed (ROCE) | 14.08%     | 37.89%     | (62.84%)                | ROCE moderated due to investments in manufacturing capacity, BOO assets, working capital and project execution capabilities, along with the increase in capital employed following the IPO.                                    |
| Debt-to-Equity Ratio              | 0.43x      | 0.13x      | 220.92%                 | Increase reflects project funding, manufacturing expansion, BOO asset creation and working capital requirements associated with business scale-up. Despite the increase, leverage remains at comfortable levels.               |
| Interest Coverage Ratio           | 7.41       | 4.33       | 70.95%                  | Finance costs declined significantly during the year, improving the company's ability to meet its interest obligations                                                                                                         |
| Inventory Turnover                | 3.32x      | 4.20x      | (21.02%)                | Inventory turnover declined primarily due to higher inventory levels, reflecting strategic stocking of materials and battery cells to support upcoming project execution and mitigate supply-chain and input-price volatility. |
| Debtors Turnover                  | 1.32x      | 1.67x      | (21.10%)                | -                                                                                                                                                                                                                              |
| Current Ratio                     | 1.69x      | 1.47x      | 14.92%                  | -                                                                                                                                                                                                                              |

### Human Resources

Pace Digitek's workforce is a key driver of its operational efficiency and execution capability across the Telecom & ICT and Energy segments. As on March 31, 2026, the Company had a team of over 2,700 employees, comprising a balanced mix of on-roll and off-roll personnel, supporting multi-location project delivery.

### Talent Acquisition and Deployment:

The Company follows structured recruitment processes to attract engineering, project management and operations talent, maintaining a high offer-to-joining conversion ratio that

enables timely deployment against project timelines. Hiring during the year was weighted toward the Energy vertical, reflecting the scale-up in BESS and EPC project execution.

### Leadership and Capability Building:

Leadership depth was strengthened across Telecom, BESS and ICT to support execution at scale. Training programmes focused on technical skills, safety awareness and managerial competencies, with particular emphasis on telecom infrastructure, energy solutions (including BESS) and EPC execution requirements.

**Performance and Retention:** A structured performance management framework aligns individual objectives with organisational priorities, backed by performance-linked compensation. This has supported strong workforce stability, with attrition maintained below 5% during the year, which is key contributor to continuity in project execution.

**Employee Wellbeing and Engagement:** Given the field- and site-intensive nature of operations, the Company prioritises workplace safety, employee communication and welfare access across locations.

Structured engagement initiatives are being expanded to enhance employee experience and retention.

**Compliance and Industrial Relations:** The Company maintains defined policies on conduct, safety and compliance, and remained fully compliant with applicable labour laws. Industrial relations were stable through the year, with no material disruptions reported.

### Company Outlook

The Company operates in sectors benefiting from sustained investments in telecom infrastructure, digital connectivity and energy transition,

driven by 5G rollout, fibre expansion, grid modernisation and growing demand for energy storage solutions. Supported by a diversified order book across telecom and energy segments, the Company maintains strong revenue visibility over the near-to-medium term.

The Energy business continues to gain momentum, supported by a growing pipeline of BESS opportunities across manufacturing, supply, EPC and BOO models. The Company is progressing with capacity expansion, localisation initiatives and selective backward integration to strengthen supply chain

reliability, improve execution efficiency and enhance cost competitiveness.

In addition to project execution, the Company is focused on increasing the contribution of product-led and manufacturing driven revenues through telecom power systems, lithium-ion battery systems, power conversion systems and integrated energy storage solutions. This diversification is expected to support operating leverage, strengthen margins and improve revenue quality over time.

## Risk and Concerns

| Risk Type                                                                                                              | Description                                                                                                                     | Mitigation Strategy                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
|  <b>Regulatory and Policy Risk</b>   | Changes in laws, regulations or government policies may impact business operations, project approvals and future opportunities. | The Company maintains a structured compliance framework, closely monitors regulatory developments and diversifies across business segments to reduce regulatory dependency. |
|  <b>Technology Risk</b>             | Rapid technological advancements may reduce the relevance of existing products or solutions.                                    | Continuous focus is placed on technology upgradation, capability enhancement and alignment of offerings with evolving industry requirements.                                |
|  <b>Supply Chain Risk</b>           | Disruptions in procurement or volatility in input costs may affect project timelines and margins.                               | The Company maintains diversified supplier relationships, establishes long-term arrangements and enhances in-house manufacturing capabilities to ensure supply stability.   |
|  <b>Customer Concentration Risk</b> | Dependence on a limited customer base may affect revenue stability.                                                             | The Company continues to diversify its customer base across sectors while strengthening engagement with government and private clients.                                     |
|  <b>Foreign Exchange Risk</b>       | Currency fluctuations may increase import costs and impact profitability.                                                       | Exposure is managed through appropriate contractual pricing mechanisms, selective hedging and increasing reliance on local sourcing.                                        |
|  <b>Competition Risk</b>            | Competitive intensity may exert pressure on pricing, margins and market positioning.                                            | The Company emphasises execution excellence, integrated service offerings and operational efficiency to maintain competitiveness.                                           |



**Internal Control Systems and Their Adequacy**

The Company has established internal control systems commensurate with the size, scale and nature of its operations, particularly considering its project-driven EPC activities and expanding presence in energy storage solutions. These systems are designed to ensure efficient conduct of business, safeguarding of assets, accuracy of accounting records and timely preparation of financial information.

Defined policies, standard operating procedures and approval mechanisms are implemented across key operational areas, including procurement, project execution, inventory management and revenue recognition, with specific controls over milestone-based billing and contract execution. IT-enabled systems support operational and financial reporting

through integrated monitoring and control frameworks.

An independent internal audit function carries out periodic reviews of internal controls, operational processes and compliance with applicable laws and internal policies. The findings and recommendations are placed before the Audit Committee, which monitors the implementation of corrective actions and strengthens the overall control environment.

The Audit Committee provides oversight on financial reporting, internal controls and compliance. Based on the systems and reviews in place, the management believes that the internal control systems are adequate and effective to support the Company's current operations and future growth.

**Disclosure of Accounting Treatment**

The Company prepares its financial statements in accordance with Ind AS under the Companies Act, 2013, on an accrual basis and historical cost convention, except for certain items measured at fair value. Revenue and expenses are recognised based on contractual terms and matching principles, while assets, liabilities and inventories are measured as per applicable standards. Depreciation, impairment, provisions, borrowing costs and taxes are accounted for in line with Ind AS requirements. The restated financial information complies with SEBI ICDR Regulations and ICAI guidance and the management confirms that there are no material deviations in accounting treatment.

**DISCLAIMER**

The Management Discussion and Analysis of Pace Digitek Limited presents a concise overview of the Company's business performance, market trends and outlook, in compliance with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The report outlines the Company's objectives, assumptions, predictions and expectations, however, actual outcomes may differ significantly due to various factors, including changes in tax legislation, governmental regulations, the Indian economy and other unforeseen circumstances.

# Board's Report

Dear Members,

Your Directors take pleasure in presenting the Nineteenth (19<sup>th</sup>) Board's Report on the business and operations of Pace Digitek Limited (formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (the "**Company**"), along with the Audited Financial Statements for the Financial Year ("**FY**") ended March 31, 2026. The Consolidated performance of the Company and its subsidiaries has been referred to, wherever required in the report.

## FINANCIAL HIGHLIGHTS

(Amount in ₹ Million, except for EPS data)

| Particulars                      | Standalone |           | Consolidated |           |
|----------------------------------|------------|-----------|--------------|-----------|
|                                  | FY 2026    | FY 2025   | FY 2026      | FY 2025   |
| Revenue from Operations          | 17,108.08  | 22,710.96 | 26,412.70    | 24,387.80 |
| Other Income                     | 468.67     | 382.23    | 461.08       | 234.22    |
| Total Income                     | 17,576.75  | 23,093.19 | 26,873.78    | 24,622.02 |
| Total Expenses                   | 14,121.91  | 19,900.78 | 22,578.49    | 20,782.73 |
| Profit before tax (PBT)          | 3,454.84   | 3192.41   | 4,295.29     | 3,839.29  |
| Current tax                      | 945.08     | 953.65    | 1,125.18     | 1,146.33  |
| Deferred tax                     | 40.72      | (126.16)  | 90.32        | (171.54)  |
| Taxes relating to previous years | 4.24       | 31.61     | 7.15         | 73.48     |
| Total tax expenditure            | 990.04     | 859.10    | 1,222.65     | 1,048.27  |
| Profit after Tax (PAT)           | 2464.80    | 2333.31   | 3,072.64     | 2,791.02  |
| Basic EPS                        | 12.52      | 14.21     | 15.11        | 16.30     |
| Diluted EPS                      | 12.52      | 14.21     | 15.11        | 16.30     |

## STATE OF AFFAIRS AND COMPANY'S PERFORMANCE

The financial statements for the financial year ended March 31 2026, included in this Annual Report, have been prepared in compliance with the Indian Accounting Standards (Ind AS) notified by the Ministry of Corporate Affairs and amended from time to time.

During the year under review, your Company successfully completed its Initial Public Offering ("IPO") process by filing the Prospectus on September 30, 2025. Subsequently, the equity shares of the Company were listed on the National Stock Exchange of India ("NSE") and BSE Limited ("BSE") on October 06, 2025. Pursuant to the IPO, the Company raised an aggregate amount of ₹8,191.48 million by issuing fresh Equity Shares, marking a significant milestone in the Company's growth journey and strengthening its capital base for future expansion.

The Directors of the Company express their sincere appreciation to the Merchant Bankers, legal counsels and all other stakeholders for their invaluable support in the successful completion of the IPO and listing process. The Directors also extend their gratitude to the regulators, including the Securities and Exchange Board of India and the Registrar of Companies, for facilitating the Company's transition to the public markets.

The Directors further convey their heartfelt thanks to the shareholders for their participation in the IPO and for the continued trust and confidence reposed in the Company and its management.

The summary of your Company's performance is as follows:

(Amount in ₹ Million)

| Sl. No. | Particulars                                       | FY 2026   | FY 2025   |
|---------|---------------------------------------------------|-----------|-----------|
| 1.      | Revenue Standalone basis                          | 17,108.08 | 22,710.96 |
| 2.      | Revenue Consolidated basis                        | 26,412.70 | 24,387.80 |
| 3.      | Profit after tax for the year -Standalone basis   | 2464.80   | 2333.31   |
| 4.      | Profit after tax for the year -Consolidated basis | 3,072.64  | 2,791.02  |



## DIVIDEND

The Company intends to employ its' profits for its' operations and performance of the Company for the future years and intends to retain the surplus profits in the statement of Profit and Loss. Accordingly, the Company has not declared any dividend for the FY 2026.

### Dividend Distribution Policy

In terms of regulation 43A of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended, the Company has formulated and uploaded dividend distribution policy on its' corporate website at <https://www.pacedigitek.com/pdf/Governance/Policies/01-Dividend-Distribution-Policy.pdf>.

## TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There were no unpaid/unclaimed dividends declared in previous years and hence the provisions of Section 125 of the Companies Act, 2013 do not apply.

## EARNINGS PER SHARE (EPS)

The Basic EPS of your Company stood at ₹12.52 at standalone level and ₹15.11 at consolidated level for the FY ended March 31, 2026.

## LOANS FROM DIRECTORS

The disclosure in relation to loans availed from directors as required under Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014 is not applicable. There were no loans taken by the Company from the Director's or relatives of directors, however there are outstanding loans from the Director's as on March 31, 2026.

| Sl No | Name of the Director       | Designation                  | Amount outstanding as on March 31, 2026 |
|-------|----------------------------|------------------------------|-----------------------------------------|
| 1     | Venugopal Rao Maddisetty   | Chairman & Managing Director | Nil                                     |
| 2     | Padma Venugopal Maddisetty | Whole Time Director          | Nil                                     |

## SHARE CAPITAL:

The Particulars of share capital of the Company are as follows:

| Particulars                                                                              | Amount (₹)   |
|------------------------------------------------------------------------------------------|--------------|
| Authorized share capital (46,00,00,000 Equity Shares of ₹ 2.00 each)                     | 92,00,00,000 |
| Issued, subscribed and paid-up share capital (21,58,51,327 Equity Shares of ₹ 2.00 each) | 43,17,02,654 |

### Shares allotted during the FY 2026:

#### (a) Sub-division of shares:

There was no sub-division/split of equity shares undertaken by the Company during the financial year under review.

#### (b) Public issue, rights issue, preferential issue:

During the Reporting Period, your Company made an Initial Public Offering ("IPO") of 3,74,09,047 equity

## TRANSFER TO RESERVES

The Company has not transferred any amount to reserves during the year under review.

## PUBLIC DEPOSITS

Your Company has not accepted any deposits falling within the meaning of Section 73 or 74 of the Companies Act, 2013 (the "Act") during the year under review and as such, no amount on account of principal or interest on deposits from public were outstanding as on the date of the balance sheet.

## PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Particulars of loans given, investments made, guarantees given and securities provided along with the purpose for which the loan, guarantee, or security is proposed to be utilized by the recipient are provided in the Standalone Financial Statements. (Kindly refer note 9 to the Standalone Financial Statements).

shares of face value of ₹ 2 each for cash at a price of 219.00 per equity share (a discount of 20 per equity share was offered to eligible employees bidding in the employee reservation portion) aggregating to ₹8,191.48 (including securities premium) comprising 55,080 shares issued to employees at ₹199 per share and 3,73,53,967 shares issued to other investors at ₹219 per share.

#### (c) Details of allotment of Equity Shares under private placement:

Not Applicable during the year under review

#### (d) Issue of Shares under ESOP:

There were no issuance/allotment of any shares under any Employee Stock Option Schemes of the Company during the FY 2026.

**(e) Issue of Shares with differential rights as to dividend, voting or otherwise**

There were no issuance/allotment of equity shares with differential rights as to dividend, voting or otherwise during the FY 2026.

**(f) Issue of Sweat Equity Shares**

There were no issuance/allotment of sweat equity shares during the FY 2026.

**(g) Issue of Bonus Shares**

There were no issuance/allotment of Bonus shares during the FY 2026.

**(h) Buy-back of Shares**

No shares were bought back during the FY 2026.

## **MATERIAL CHANGES & COMMITMENTS**

There were no material changes and commitments affecting the financial position of the Company which occurred between the end of financial year to which the financial statement relates on the date of this report. The other changes in commitments are provided in the relevant places of the annual report.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations") as amended from time to time, Report is presented in a separate section forming part of the Annual Report

## **CREDIT RATING**

The Company has been rated by CRISIL Ratings Limited vide its letter dated April 01, 2026 as CRISIL A-/Stable credit rating, reflecting strong financial performance and operational stability, and the same can be accessed at [www.pacedigitek.com](http://www.pacedigitek.com).

## **SUBSIDIARIES, ASSOCIATE COMPANIES AND JOINT VENTURES**

Statement containing the salient features of the Financial Statements of the Subsidiary Companies:

As per the provisions of Sections 129 of the Act read with Rule 5 of the Companies (Accounts) Rules, 2014, a separate statement containing the salient features of the Financial Statements of the Subsidiary Companies in Form AOC-1 is set out in this Annual Report as **Annexure 1**. The Company does not have any associate company or joint venture.

During the year, there has been no material change in the nature of the business of the subsidiaries.

## **THE NAMES OF COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR**

On February 27, 2026, AP Digital Infra Private Limited, Subsidiary of the Company filed an application with the Registrar of Companies for voluntary striking off of its name from the records of the Registrar of Companies.

## **MATERIAL SUBSIDIARIES**

The Board of Directors of the Company have adopted a Policy for determining material subsidiaries in line with the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy is available at Company's website at <https://www.pacedigitek.com/investor-relations/governance>

For the financial year 2025-26, M/s. Lineage Power Private Limited is categorized as material subsidiary(s) of the Company as per the thresholds laid down under the SEBI Listing Regulations.



## BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL ("KMP") OF THE COMPANY

Your Company has a truly diverse Board that includes and makes good use of diversity in the skills and industry experience, background and other distinctions among directors. In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company the Board of Directors is duly constituted during the year. None of the directors of the Company are disqualified under Section 164(1) or Section 164(2) of the Act.

Details of Directors and Key Managerial Personnel as on the closure of financial year i.e. 31 March 2026:

| Sl. No. | Name of the Director           | DIN        | Designation                              | Date of Appointment |
|---------|--------------------------------|------------|------------------------------------------|---------------------|
| 1.      | Venugopalrao Maddisetty        | 02070491   | Chairman & Managing Director             | March 01, 2007      |
| 2.      | Rajiv Maddisetty               | 08495070   | Whole Time Director                      | March 01, 2007      |
| 3.      | Padma Venugopal Maddisetty     | 02070662   | Whole Time Director                      | July 09, 2019       |
| 4.      | Satishchandra Balkrishna Ogale | 07125244   | Independent Director                     | January 07, 2025    |
| 5.      | Om Prakash Mishra              | 09244477   | Independent Director                     | January 07, 2025    |
| 6.      | Prabhakar Reddy Patil          | 00377406   | Independent Director                     | February 01, 2025   |
| 7.      | Rajavendhan Pandidurai         | AOEPR5374Q | Chief Financial Officer                  | October 16, 2024*   |
| 8.      | Meghana Manchaiah Purshotham   | BLSPM3333G | Company Secretary and Compliance Officer | October 16, 2024*   |

\*Date of designation as Key Managerial Personnel (KMP)

None of the independent directors are related to the promoters and/or promoter group.

### Declaration by Independent Directors:

The Company has received necessary declarations from each Independent Director under Section 149(7) of the Act, that he / she meets the criteria of independence laid down in Section 149(6) of the Act.

#### i. Statement regarding opinion of the Board with regard to integrity, expertise and experience (including the proficiency) of the independent directors appointed during the year:

It is hereby declared that in the opinion of the Board, each Independent Director appointed is a person of integrity and possesses all the relevant expertise and experience (including the proficiency).

#### ii. Registration of Independent Directors in Independent Directors Databank:

All the Independent Directors of your Company have been registered and are members of Independent Directors Databank maintained by the Indian Institute of Corporate Affairs (IICA).

### Changes in the composition of Board of Directors:

There were no changes in the composition of the Board of Directors of the Company during the financial year under review.

### Retirements and re-appointments at the AGM:

A proposal for re-appointment of Mr. Venugopalrao Maddisetty, Chairman and Managing Director who retires by rotation and being eligible, offers himself for re-appointment as a Chairman and Managing Director of the Company shall be placed before the Members of the Company at the ensuing Annual General Meeting.

## FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

In accordance with Section 149 read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, the Company has put in place a system to familiarize the Independent Directors regarding their rights, duties, roles and responsibilities in the Company, nature of the industry in which the Company operates, Company's Strategy, business model and performance updates of the Company, etc.

The details of familiarization programme for Independent Directors have been disclosed on the website of the Company at <https://www.pacedigitek.com/investor-relations/governance>.

## EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

The Nomination & Remuneration Committee of the Company, in accordance with the provisions of the Companies Act, 2013 and the Rules made there under and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, laid down the criteria for the performance evaluation of the Board, Committees and every Director including Independent Directors and the Chairman.

However, The Company was listed on both NSE and BSE on October 06, 2025. As this is the first financial year post listing, the performance evaluation for the year has been carried out on April 22, 2026 in the subsequent Financial Year.

The Policy on Board of Directors' Evaluation Framework in compliance with Section 178 can be accessed at <https://www.pacedigitek.com/pdf/Governance/Policies/02-Policy-for-evaluation-of-performance-of-board.pdf>

## BOARD AND COMMITTEE MEETINGS HELD DURING THE YEAR

During the Financial Year 2025-26, Thirteen (13) meetings of the board were held. The maximum interval between any two meetings did not exceed 120 days, as prescribed by the Act. Details of the meetings of the Board along with the attendance of the Directors therein have been disclosed as part of the Corporate Governance Report forming part of this Annual Report.

## BOARD COMMITTEE STRUCTURE

During the year under review, with a view to comply with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and with an objective to further strengthen the governance standards, the Board had constituted following Committees:

- a) Audit Committee
- b) Stakeholder's Relationship Committee
- c) Nomination and Remuneration Committee
- d) Corporate Social Responsibility Committee
- e) Risk Management Committee

The details with respect to the composition, number of meetings, attendance, powers, roles, terms of reference, etc. of the aforesaid committees are disclosed in the "Report on Corporate Governance" which is set out in this Annual Report as **Annexure 8**.

## POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

Pursuant to the provisions of Section 178 of the Companies Act, 2013 and the applicable rules made thereunder, the Board of Directors have framed a Nomination and Remuneration Policy for selection, appointment and remuneration of Directors, Key Managerial Personnel and Senior Management Personnel.

The Policy lays down the criteria for determining qualifications, positive attributes, independence of a Director and recommends to the Board a policy relating to remuneration of Directors, Key Managerial Personnel and other employees. The Policy also provides for evaluation of the performance of the Board, its Committees and individual Directors.

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act has been uploaded on the website of the Company. The same can be accessed at the web-link at <https://www.pacedigitek.com/investor-relations/governance>.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the board of directors, to the best of their knowledge and ability, confirm that:

- a) in the preparation of the annual accounts for the financial year ended March 31, 2026, the applicable

accounting standards have been followed along with proper explanation relating to material departures, if any;

- b) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2026 and of the profit/loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a going concern basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## CORPORATE SOCIAL RESPONSIBILITY ('CSR')

The Company has adopted a CSR Policy in accordance with the requirement of Section 135 of the Act read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

During the FY 2026, the Company has spent an amount of ₹ 29.94 million towards development of government school projects and the balance ₹ 6.53 million was transferred to a trust for an ongoing project within the stipulated period of time as required under the provisions of Section 135 of the Companies Act, 2013. The details of the CSR initiatives of the Company is set out in this Annual Report as **Annexure 2**.

The details of the CSR Committee and activities can be accessed at the Company's website at <https://www.pacedigitek.com/investor-relations/governance>.

## HUMAN RESOURCES/PARTICULARS OF EMPLOYEES

The disclosures in respect of employees under Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 a statement showing the names of the top ten employees in terms of remuneration drawn and names and other particulars of the employees drawing remuneration in excess of the limits set out in the said rules forms part of this Report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is set out in this Annual Report as **Annexure 4**.

## ADEQUACY OF INTERNAL FINANCIAL CONTROLS

Internal Financial Controls are part of risk management process addressing financial and financial reporting risks. They ensure the orderly and efficient conduct of business, including adherence to Company policies, safeguarding of its assets, prevention and detection of fraud, error reporting mechanisms, accuracy and completeness of the accounting records. They aid in the timely preparation of financial statements. The Internal Financial Controls have been documented, digitized and embedded in the business process.

The details with respect to internal financial controls and their adequacy are included in the Management Discussion and Analysis Report, which is a part of this Report.

## CORPORATE GOVERNANCE REPORT

Your Company provides utmost importance to the best governance practices and are designed to act in the best interest of its stakeholders. The Board of Directors reaffirm their continued commitment to good corporate governance practices. The fundamentals of Governance at the Company includes transparency, accountability, integrity and Independence.

In terms of Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate section on Corporate Governance is set out in **Annexure 8** a certificate from CS. Pramod S, (ICSI Membership No: A36020, COP 13335) confirming compliance is set out in this Annual Report as **Annexure 9**.

## EMPLOYEE STOCK OPTION SCHEME

During the year under review, the Company has not adopted any Employee Stock Option Scheme/Policy (ESOP). Accordingly, no stock options were granted, vested, exercised, or lapsed during the financial year.

## BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Based on the market capitalisation criteria published by the stock exchanges as on December 31, 2025, the Company falls within the top 1,000 listed entities. Accordingly, the provisions relating to the Business Responsibility and Sustainability Report ("BRSR") are applicable to the Company for the financial year 2025-26. The BRSR Report is set out in this Annual Report as **Annexure 5**.

## RISK MANAGEMENT

Risk management is the process of identification, assessment and prioritization of risk followed by coordinated efforts to

minimize, monitor and mitigate/ control the profitability and/ or the impact of unfortunate events or to maximize the realization of opportunities. Your Company's risk management process is designed to safeguard the organization from various risks through adequate and timely actions. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making.

The Board has also formulated Risk Management Policy which identifies elements of risk, if any, which in the opinion of the Board may threaten the existence of the Company. A detailed section on Risk Management is provided in the Management Discussion and Analysis Report forming an integral part of this Report.

Accordingly, your Company's risk management process is designed to safeguard the organization from various risks through adequate and timely actions. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. The Risk Management Policy can be accessed at the Company's website at <https://www.pacedigitel.com/investor-relations/governance>.

## VIGIL MECHANISM

Pursuant to provisions of Section 177 of the Companies Act, 2013 read with Regulation 22 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, your Company has duly established Whistle Blower Policy as part of vigil mechanism for observing the conduct of Directors and Employees and report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct to the Chairman of the Audit Committee. This mechanism also provides for adequate safeguards against victimization of Director(s)/ Employee(s) who avail of the mechanism and also provides for direct access to the Chairman of the Audit Committee.

The Whistle blower Policy is available on the website of the Company at <https://www.pacedigitel.com/pdf/Governance/Policies/03-Whistleblower-vigil-Mechanism-Policy.pdf>.

During the year under review, the Company has not received any complaints under the said mechanism.

## CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under section 134(3) (m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules, 2014 is set out in this Annual Report as is set out in this Annual Report as **Annexure 6**.



## DEBENTURES

During the year under review, the Company has not issued any Debentures. As on date, the Company does not have any outstanding Debentures.

## DEPOSITORY SYSTEM

The Company's equity shares are tradable only in electronic form. As on March 31, 2026, 100% of the Company's total paid up capital representing 43,17,02,654 equity shares are in dematerialized form.

## PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading (Code') in accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015 with a view to regulating trading in securities by the Directors, Designated Employees and Connected Persons of the Company. The objective of this Code is to protect the interest of Shareholders at large, to prevent misuse of any price sensitive information and to prevent any insider trading activity by dealing in shares of the Company by its Directors, Designated Employees, their immediate relatives and Connected Persons.

The Code requires pre-clearance approval for dealing with the Company's shares for all transactions by the Directors and Designated Employees (together called Designated Persons) and prohibits the purchase or sale of the Company's securities by Designated Persons while in possession of Unpublished Price Sensitive Information (UPSI) in relation to the Company. The Company Secretary is responsible for the implementation and monitoring of the Code. The Company also has in place a Code for practices and procedures for fair disclosure of unpublished price sensitive information which is available on the website of the Company at <https://www.pacedigitek.com/investor-relations/governance>.

The Company regularly and timely intimates the designated persons and connected persons for non-trading in the shares of the Company whenever UPSI is available and also, the Company takes steps to freeze the PAN of designated and connected persons at the platform of the NSDL i.e. the Company's designated Depository Participant for non-dealing of shares of the Company whenever the trading window closes for declaration of financial results.

## INSURANCE

Your Company has taken appropriate insurance for all assets as per general industry practice.

## GREEN INITIATIVE

We request all shareholders to support the 'Green Initiative' of the Ministry of Corporate Affairs and the Company, by enabling the service of the Annual Report, Annual General Meeting Notice and other documents through electronically

to your email address registered with your Depository Participant/ Registrar and Share Transfer Agent.

## RELATED PARTY TRANSACTIONS

The Company has complied with the provisions of section 188(1) of the Act dealing with related party transactions. The information on transactions with related parties pursuant to section 134(3) (h) of the Act read with Rule 8 (2) of the Companies (Accounts) Rules, 2014 are given in Form AOC- 2 is set out in this Annual Report as **Annexure 3**.

All related party transactions are placed before the Audit Committee for review and approval. Prior omnibus approval is obtained for transactions which are of a repetitive nature and are in the ordinary course of business and at arm's length pricing.

In line with the requirements of the Act and the SEBI Listing Regulations, the Company has formulated a policy on Related Party Transactions ('RPT Policy') which can be accessed on the Company's website <https://www.pacedigitek.com/investor-relations/governance>.

## AUDITORS

### Statutory Auditors:

At the 18<sup>th</sup> Annual General Meeting of the Company, the members approved the appointment of S S Kothari Mehta & Co LLP, Chartered Accountants (ICAI Firm Registration No. 000756N/N500441), as the Statutory Auditors of the Company for a term of five consecutive years, to hold office till the conclusion of the 23<sup>rd</sup> Annual General Meeting of the Company, in accordance with the provisions of Section 139 and other applicable provisions of the Companies Act, 2013. The Statutory Auditors have confirmed that they are not disqualified from continuing as Auditors of the Company in terms of the provisions of the Companies Act, 2013 and the rules made thereunder.

The statutory auditor's report does not contain any qualifications, reservations, or adverse remarks or disclaimer.

### Secretarial Auditors:

The Board has appointed CS Pramod S, Practicing Company Secretary (Membership Number: A36020, CoP Number: 13335, peer review number: 1491/2021), to conduct the Secretarial Audit of the Company. The Secretarial Audit Report for the financial year ended March 31, 2026 is set out in this Annual Report as **Annexure 7**.

The Secretarial Auditors report does not contain any qualifications, reservations, or adverse remarks or disclaimer.

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed CS Pramod S, (ICSI Membership No: A36020 and COP13335) Practicing Company Secretary, Bengaluru, to conduct Secretarial Audit of the Company.

Based on the recommendations of the Audit Committee and the Board of Directors at its meetings held on May 25, 2026 CS Pramod S, (ICSI Membership No: A36020 and COP 13335) Practicing Company Secretary, Bengaluru, is proposed to be appointed as a Secretarial Auditor of the Company to hold office for a term of 5 (five) years commencing from the FY 2026-27 to FY 2030-31 subject to approval of the Shareholders in the ensuing Annual General Meeting of the Company as required under Regulation 24A of SEBI (LODR) Regulations, 2015.

#### Cost Auditors:

The Board has appointed Mr. Kamalakara & Co., Cost Accountants, Bengaluru as the Cost Auditors of the Company.

In terms of Section 148 and other applicable provisions of the Act, the remuneration payable to the Cost Auditors shall be ratified by the members of the Company in the ensuing Annual General Meeting of the Company.

Mr. Kamalakara & Co., Cost Accountants has confirmed that he is free from disqualification specified under section 141(3) and proviso to Section 148(3) read with section 141(4) of the Act and that his appointment meets the requirements of section 141(3)(g) of the Act. He has further confirmed his independent status and an arm's length relationship with the Company.

The Cost auditor's report does not contain any qualifications, reservations, or adverse remarks or disclaimer.

#### Internal Auditors:

M/s. Sundaran & Srinivasan, Chartered Accountants, were appointed as Internal Auditors on June 26, 2025 for conducting the internal audit of the Company for the financial year 2025-26, who have conducted the internal audit periodically and submitted their reports to the Audit Committee and the Board.

#### INSTANCES OF FRAUD REPORTED BY THE AUDITORS

During the year under review, the statutory auditors have not reported any instances of frauds committed in the Company by its Officers or Employees under section 143(12) of the Act to the Central Government or the Audit Committee of the Company.

#### MAINTENANCE COST RECORDS

As per Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014, as amended, the Company is required to prepare and maintain cost records and have the cost records audited by a Cost Accountant and accordingly, it has prepared and maintained such cost accounts and records.

#### APPLICATION UNDER INSOLVENCY AND BANKRUPTCY CODE, 2016

The Company has not made any application under the Insolvency and Bankruptcy Code, 2016 during the Financial Year 2025-2026.

#### SECRETARIAL STANDARDS

The Company is in due compliance with all the applicable secretarial standards issued by the Institute of Company Secretaries of India.

#### ANNUAL RETURN

In accordance with the Act, a copy of the annual return in the prescribed form as on March 31, 2026 is available on the Company's website at <https://www.pacedigitek.com/investor-relations/governance>.

#### COMPLIANCE WITH OTHER LAWS

##### SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013 (POSH)

The Company has complied with provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 during the FY 2026.

- (a) number of complaints of sexual harassment received in the year: Nil
- (b) number of complaints disposed off during the year: Nil;
- (c) number of complaints pending at the end of the year: Nil;
- (d) number of cases pending for more than ninety days: Nil;

##### MATERNITY BENEFITS ACT, 1961

The Company has complied with the provisions of the Maternity Benefit Act, 1961, including all applicable amendments and rules framed thereunder. The Company is committed to ensuring a safe, inclusive, and supportive workplace for women employees. All eligible women employees are provided with maternity benefits as prescribed under the Maternity Benefit Act, 1961, including paid maternity leave, nursing breaks, and protection from dismissal during maternity leave.

The Company also ensures that no discrimination is made in recruitment or service conditions on the grounds of maternity. Necessary internal systems and HR policies are in place to uphold the spirit and letter of the legislation.

## SIGNIFICANT AND MATERIAL ORDERS

The Company has filed an application for adjudication of penalty under section 454 of the Act for violation of Section 135 of the Act before the Registrar of Companies, Bengaluru (the "ROC"). The application is presently pending before the ROC. The ROC vide its' order dated October 17, 2025 has disposed off the said application on payment of adjudication fee levied on the Company and its' Directors.

## DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOAN FROM THE BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF

The Company has not made any such valuation during the Financial Year 2025-2026.

## GENDER-WISE COMPOSITION OF EMPLOYEES

In alignment with the principles of diversity, equity, and inclusion (DEI), the Company discloses below the gender composition of its workforce as on March 31, 2026.

- Male Employees: 1471
- Female Employees: 66
- Transgender Employees: Nil

This disclosure reinforces the Company's efforts to promote an inclusive workplace culture and equal opportunity for all individuals, regardless of gender.

## AWARDS RECEIVED DURING THE YEAR:

During the year, the following awards were received:

1. Best Talent Acquisition Strategy Award
2. Leading HR Transformation Award

## CAUTIONARY STATEMENT:

Statements in this Report and the Management Discussion & Analysis Report describing the Company's objectives, expectations or forecasts may be forward-looking within the meaning of applicable laws and regulations. Actual results may differ from those expressed in the statements.

## ACKNOWLEDGMENTS:

The Board of Directors extends its sincere gratitude to the Company's customers, shareholders, vendors, and bankers for their continued support during the year. The Board also places on record its deep appreciation for the dedication and contribution of employees at all levels. The Company's consistent growth has been made possible by their hard work, cooperation, and commitment.

The Directors would like to make a special mention of the valuable support received from various departments of the Central and State Governments, the Direct and Indirect Tax Authorities, the Ministry of Commerce, the Reserve Bank of India, the Ministry of Corporate Affairs/Registrar of Companies and other regulatory authorities. The Board looks forward to their continued support in the Company's future endeavours.

## For and on behalf of the Board of Directors of Pace Digitek Limited

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

Sd/-

Name : **Venugopalrao Maddisetty**  
 Designation : Chairman & Managing Director  
 DIN : 02070491

Date : May 25, 2026  
 Place : Bengaluru

Sd/-

**Padma Venugopal Maddisetty**  
 Whole-time Director  
 02070662

May 25, 2026  
 Bengaluru



# Annexure - 1

## Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)  
Statement containing salient features of the financial statement of subsidiaries or associate companies or joint ventures

### Part A-Subsidiaries

| Description                                                                                                                 | Particulars                   | Particulars                             | Particulars               | Particulars                        | Particulars                                   | Particulars                           | Particulars                                  | Particulars                     |
|-----------------------------------------------------------------------------------------------------------------------------|-------------------------------|-----------------------------------------|---------------------------|------------------------------------|-----------------------------------------------|---------------------------------------|----------------------------------------------|---------------------------------|
| Sr. No.                                                                                                                     | 1                             | 2                                       | 3                         | 4                                  | 5                                             | 6                                     | 7                                            | 8                               |
| Name of the subsidiary                                                                                                      | Lineage Power Private Limited | Pace Renewable Energies Private Limited | Inso Pace Private Limited | TransgreenX Energy Private Limited | Lineage Defence and Aerospace Private Limited | Pace Ecoplanet Solace Private Limited | Lineage Power Holdings (Singapore) Pte. Ltd. | Lineage Power (Myanmar) Limited |
| Date since when subsidiary was acquired                                                                                     | 29.06.2010                    | 31.03.2010                              | 10.10.2018                | 22.11.2025                         | 23.12.2025                                    | 05.01.2026                            | 12.03.2015                                   | 09.06.2015                      |
| Reporting period for the subsidiary concerned, if different from the holding company's reporting period                     | 2025-26                       | 2025-26                                 | 2025-26                   | 2025-26                            | 2025-26                                       | 2025-26                               | 2025-26                                      | 2025-26                         |
| Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries | INR Millions                  | INR Millions                            | INR Millions              | INR Millions                       | INR Millions                                  | INR Millions                          | USD                                          | MMK                             |
| Exchange Rate on the last day of the financial year                                                                         | NA                            | NA                                      | NA                        | NA                                 | NA                                            | NA                                    | 93.48                                        | 0.0445                          |
| Share capital                                                                                                               | 50                            | 382.18                                  | 0.10                      | 0.10                               | 0.10                                          | 0.10                                  | 4.56                                         | 3.73                            |
| Reserves and surplus                                                                                                        | 2142.91                       | 2175.70                                 | 0.13                      | (0.05)                             | (0.05)                                        | (0.05)                                | (6.33)                                       | 5.87                            |
| Total assets                                                                                                                | 10219.50                      | 14563.83                                | 3.04                      | 0.10                               | 0.10                                          | 0.10                                  | 3.50                                         | 28.66                           |
| Total liabilities                                                                                                           | 8015.90                       | 12006.02                                | 2.81                      | 0.05                               | 0.05                                          | 0.05                                  | 5.26                                         | 19.06                           |
| Investments                                                                                                                 | NIL                           | NIL                                     | NIL                       | NIL                                | NIL                                           | NIL                                   | 2.98                                         | NIL                             |
| Turnover                                                                                                                    | 10635.99                      | 5578.30                                 | NIL                       | NIL                                | NIL                                           | NIL                                   | NIL                                          | 37.89                           |
| Profit before taxation                                                                                                      | 653.48                        | 232.97                                  | (0.85)                    | (0.05)                             | (0.05)                                        | (0.05)                                | (1.78)                                       | (8.71)                          |

1. Names of subsidiaries which are yet to commence operations:

- TransgreenX Energy Private Limited,
- Lineage Defence and Aerospace Private Limited
- Pace Ecoplanet Solace Private Limited

2. Names of subsidiaries which have been liquidated or sold during the year: Nil

#### For and on behalf of the Board of Directors of Pace Digitek Limited

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

|                                  |                                  |                                   |                         |                                        |
|----------------------------------|----------------------------------|-----------------------------------|-------------------------|----------------------------------------|
|                                  | Sd/-                             | Sd/-                              | Sd/-                    | Sd/-                                   |
| Name                             | : <b>Venugopalrao Maddisetty</b> | <b>Padma Venugopal Maddisetty</b> | <b>Rajavendhan P</b>    | <b>Meghana MP</b>                      |
| Designation                      | : Chairman & Managing Director   | Whole-time Director               | Chief Financial Officer | Company Secretary & Compliance Officer |
| DIN/<br>Membership<br>Number/PAN | : 02070491                       | 02070662                          | AOEP5374Q               | A42534                                 |
| Date                             | : May 25, 2026                   | May 25, 2026                      | May 25, 2026            | May 25, 2026                           |
| Place                            | : Bengaluru                      | Bengaluru                         | Bengaluru               | Bengaluru                              |

## Part B Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

| Name of Associates or Joint Ventures |                                                                            |
|--------------------------------------|----------------------------------------------------------------------------|
| 1.                                   | Latest audited Balance Sheet Date                                          |
| 2.                                   | Date on which the Associate or Joint Venture was associated or acquired    |
| 3.                                   | Shares of Joint Ventures/associate held by the company on the year end     |
|                                      | i) No.                                                                     |
|                                      | ii) Amount of Investment in Joint Venture (refer note below)               |
|                                      | iii) Extent of Holding %                                                   |
| 4.                                   | Description of how there is significant influence                          |
| 5.                                   | Reason why the associate/joint venture is not consolidated                 |
| 6.                                   | Net worth attributable to Shareholding as per latest audited Balance Sheet |
| 7.                                   | i) Profit/(Loss) for the year                                              |
|                                      | ii) Considered in Consolidation                                            |

Not Applicable

Notes:

- Names of associates or joint ventures which are yet to commence operations. Nil
- Names of associates or joint ventures which have been liquidated or sold during the year. Nil

### For and on behalf of the Board of Directors of Pace Digitek Limited

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

|                                  |                                  |                                   |                         |                                        |
|----------------------------------|----------------------------------|-----------------------------------|-------------------------|----------------------------------------|
|                                  | Sd/-                             | Sd/-                              | Sd/-                    | Sd/-                                   |
| Name                             | : <b>Venugopalrao Maddisetty</b> | <b>Padma Venugopal Maddisetty</b> | <b>Rajavendhan P</b>    | <b>Meghana MP</b>                      |
| Designation                      | : Chairman & Managing Director   | Whole-time Director               | Chief Financial Officer | Company Secretary & Compliance Officer |
| DIN/<br>Membership<br>Number/PAN | : 02070491                       | 02070662                          | AOEP5374Q               | A42534                                 |
| Date                             | : May 25, 2026                   | May 25, 2026                      | May 25, 2026            | May 25, 2026                           |
| Place                            | : Bengaluru                      | Bengaluru                         | Bengaluru               | Bengaluru                              |

## Annexure - 2

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ("CSR") ACTIVITIES FOR FY 2025-26

(Pursuant to Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014, as amended)

#### 1. A BRIEF OUTLINE ON THE COMPANY'S CORPORATE SOCIAL RESPONSIBILITY ("CSR") POLICY OF THE COMPANY:

The CSR Policy aims to fulfill following objectives:

Establishing a guideline for Compliance with the provisions of Companies Act, 2013 and Rules and regulations thereon to dedicate a percentage of Companies profits for CSR initiatives. Ensuring the Implementation of CSR initiatives in letter and spirit appropriate procedures and reporting.

A brief outline of the Company's CSR policy is available at <https://www.pacedigitek.com/investor-relations/governance>.

#### 2. THE COMPOSITION OF THE CSR COMMITTEE:

The CSR Committee has been constituted in line with the requirements of provisions of Section 135 of the Companies Act, 2013 are as follows:

| Sl. No. | Name of the Director               | Designation / Nature of Directorship | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|------------------------------------|--------------------------------------|----------------------------------------------------------|--------------------------------------------------------------|
| 1.      | Mr. Venugopalrao Maddisetty        | Chairman                             | 2                                                        | 2                                                            |
| 2.      | Mrs. Padma Venugopal Maddisetty    | Member                               | 2                                                        | 2                                                            |
| 3.      | Mr. Satishchandra Balkrishna Ogale | Member                               | 2                                                        | 1                                                            |

#### 3. WEB-LINK(S) WHERE COMPOSITION OF CSR COMMITTEE, CSR POLICY AND CSR PROJECTS APPROVED BY THE BOARD ARE DISCLOSED ON THE WEBSITE OF THE COMPANY:

Details on composition of CSR committee, CSR Policy and CSR projects approved by the Board of Directors are available at <https://www.pacedigitek.com/investor-relations/governance>

#### 4. DETAILS OF IMPACT ASSESSMENT OF CSR PROJECTS CARRIED OUT IN PURSUANCE OF SUB-RULE (3) OF RULE 8 OF THE COMPANIES (CORPORATE SOCIAL RESPONSIBILITY POLICY) RULES, 2014, IF APPLICABLE:

Not Applicable

#### 5. (a) Average net profit of the company as per sub-section (5) of section 135:

CSR Computation for FY 2025-26 (Amount in ₹ Million)

| Particulars                              | 2022-2023 | 2023-2024 | 2024-2025 |
|------------------------------------------|-----------|-----------|-----------|
| Net profit for deciding the CSR criteria | 89.29     | 2,188.14  | 3,192.41  |
| Average Profit for preceding 3 years     |           |           | 1823.28   |
| CSR @2%                                  |           |           | 36.47     |

(b) Two percent of average net profit of the company sub-section (5) of section 135: 36.47 million

(c) Surplus arising out of the CSR projects or programs or activities of the previous financial years: Nil

(d) Amount required to be set off for the financial year, if any: Nil

(e) Total CSR obligation for the financial year (5(b)+5(c)-5(d)): 36.47 million



6. (a) **Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project):**
- (i) **Details of CSR amount spent against ongoing projects for the financial year:** 6.53 million
- (ii) **Details of CSR amount spent against other than ongoing projects for the financial year:** 29.94 million
- (b) **Amount spent in Administrative Overheads:** Nil
- (c) **Amount spent on Impact Assessment, if applicable:** Nil
- (d) **Total amount spent for the Financial Year (6(a)+6(b)+6(c)):** ₹36.47 million
- (e) **CSR amount spent or unspent for the financial year:**

| Total Amount Spent for the Financial Year 2025-26 (in ₹ Million) | Amount Unspent (in ₹ Million)                                         |                  |                                                                                                                     |               |                  |
|------------------------------------------------------------------|-----------------------------------------------------------------------|------------------|---------------------------------------------------------------------------------------------------------------------|---------------|------------------|
|                                                                  | Total Amount transferred to Unspent CSR Account as per section 135(6) |                  | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135 |               |                  |
|                                                                  | Amount (in ₹)                                                         | Date of transfer | Name of the Fund                                                                                                    | Amount (in ₹) | Date of transfer |
| 36.47                                                            | -                                                                     | -                | -                                                                                                                   | -             | -                |

- (f) **Details of excess amount for set off, if any:**

| Sl. No. | Particulars                                                                                              | Amount (in ₹ Million) |
|---------|----------------------------------------------------------------------------------------------------------|-----------------------|
| 1.      | 2.                                                                                                       | 3.                    |
| (i)     | Two percent of average net profit of the company as per sub-section (5) of section 135                   | 36.47                 |
| (ii)    | Total obligation for the Financial Year                                                                  | 36.47                 |
| (iii)   | Amount setoff in the current financial year                                                              | -                     |
| (iv)    | Total Amount spent for the financial year [(ii)-(iii)]                                                   | 36.47                 |
| (v)     | Surplus arising out of the CSR projects or programs or Activities of the previous financial year, if any | -                     |
| (vi)    | Amount available for setoff in succeeding financial year                                                 | -                     |

## 7. DETAILS OF UNSPENT CSR AMOUNT FOR THE PRECEEDING THREE FINANCIAL YEARS:

| 1.      | 2.                       | 3.                                                                                                   | 4.                                                                                        | 5.                                                          | 6                                                                                                                           |                  | 7.                                                                         | 8.                 |
|---------|--------------------------|------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------|-------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------|------------------|----------------------------------------------------------------------------|--------------------|
| Sl. No. | Preceding Financial Year | Amount transferred to Unspent CSR Account under section subsection (6) of section 135 (in ₹ Million) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹ Million) | Amount spent in the Reporting Financial Year (in ₹ Million) | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any |                  | Amount remaining to be spent in succeeding financial years. (in ₹ Million) | Deficiency, if any |
|         |                          |                                                                                                      |                                                                                           |                                                             | Amount (in ₹ Million)                                                                                                       | Date of transfer |                                                                            |                    |
| 1.      | 2024-25                  | -                                                                                                    | -                                                                                         | -                                                           | 14.39                                                                                                                       | 30.09.2025       | -                                                                          | Nil                |
| 2.      | 2023-24                  | -                                                                                                    | -                                                                                         | -                                                           | -                                                                                                                           | -                | ₹ 1 2.39 Million *                                                         | Nil                |
| 3.      | 2022-23                  | -                                                                                                    | -                                                                                         | -                                                           | -                                                                                                                           | -                | ₹ 1.65 Million *                                                           | Nil                |

\*As on January 7, 2025, the Company had filed an adjudication application with the Registrar of Companies, Bengaluru, relating to unspent CSR amounts for financial years 2020-21 to 2023-24. During the year, the Company complied with the order passed by the Registrar of Companies and has discharged all related obligations, including payment of the amounts as required. Accordingly, no liability or obligation remains outstanding as at the reporting date in respect of such unspent CSR amounts.

## 8. WHETHER ANY CAPITAL ASSET(S) HAVE BEEN CREATED OR ACQUIRED THROUGH CSR AMOUNT SPENT IN THE FINANCIAL YEAR:

☐ Yes ☒ No

(a) If Yes, enter the number of Capital asset(s) created/ acquired: NA

(b) Details relating to such asset(s) so created or acquired through CSR amount spent in the Financial Year:

| Sl. No. | Short particulars of the property or asset(s), including complete address and location of the property | Pin code of the property or asset(s) | Date of creation | Amount of CSR Amount spent (in ₹ Million) | Details of entity/ Authority/ beneficiary of the registered owner |      |                    |
|---------|--------------------------------------------------------------------------------------------------------|--------------------------------------|------------------|-------------------------------------------|-------------------------------------------------------------------|------|--------------------|
| 1       | 2                                                                                                      | 3                                    | 4                | 5                                         | 6                                                                 |      |                    |
|         |                                                                                                        |                                      |                  |                                           | CSR Registration Number, if applicable                            | Name | Registered address |
|         | NA                                                                                                     | NA                                   | NA               | NA                                        | NA                                                                | NA   | NA                 |

## 9. SPECIFY THE REASON(S), IF THE COMPANY HAS FAILED TO SPEND TWO PER CENT OF THE AVERAGE NET PROFIT AS PER SUBSECTION (5) OF SECTION 135:

Not Applicable.

### For and on behalf of the Board of Directors of Pace Digitek Limited

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

Sd/-

Name : **Venugopalrao Maddisetty**  
 Designation : Chairman & Managing Director  
 (Chairman - CSR Committee)  
 DIN : 02070491  
 Date : May 25, 2026  
 Place : Bengaluru

## Annexure - 3

### Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto**

#### 1. Details of contracts or arrangements or transactions not at arm's length basis:

|     |                                                                                                                   |   |                |
|-----|-------------------------------------------------------------------------------------------------------------------|---|----------------|
| (a) | Name(s) of the related party and nature of relationship                                                           | : | Not Applicable |
| (b) | Nature of contracts/ arrangements/transactions                                                                    | : |                |
| (c) | Duration of the contracts / arrangements/transactions                                                             | : |                |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any                        | : |                |
| (e) | Justification for entering into such contracts or arrangements or transactions                                    | : |                |
| (f) | date(s) of approval by the Board                                                                                  | : |                |
| (g) | Amount paid as advances, if any                                                                                   | : |                |
| (h) | Date on which the special resolution was passed in general meeting as required under first proviso to section 188 | : |                |

#### 2. Details of material contracts or arrangement or transactions at arm's length basis

|     |                                                                                            |   |                                                                                                                                                                                                                                                      |                                                                              |                                                                                                                                                           |                                                                                                                                                      |
|-----|--------------------------------------------------------------------------------------------|---|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------|
| (a) | Name(s) of the related party and nature of relationship                                    | : | Lineage Power Private Limited<br>Subsidiary company with common directors                                                                                                                                                                            | Pace Power Systems<br>Firm in which Directors of the Company are Partners    | Lanarsy Infra Limited<br>Company in which directors are related                                                                                           | Pace Renewable Energies Private Limited<br>Wholly-owned Subsidiary                                                                                   |
| (b) | Nature of contracts/ arrangements/ transactions                                            | : | Sale and purchase of products/services<br>Management support services                                                                                                                                                                                | Lease of Property                                                            | Sale and purchase of products/ services                                                                                                                   | Sale and purchase of products/services                                                                                                               |
| (c) | Duration of the contracts / arrangements/ transactions                                     | : | The contract is valid for 1 (one) year and renewed further on annual basis;                                                                                                                                                                          | The contract is valid for 1 (one) year and renewed further on annual basis;  | The contract is valid for 1 (one) year and renewed further on annual basis                                                                                | The contract is valid for 1 (one) year and renewed further on annual basis                                                                           |
| (d) | Salient terms of the contracts or arrangements or transactions including the value, if any | : | <ul style="list-style-type: none"> <li>• Sale of products/ services: ₹ 18.07 million</li> <li>• Purchase of products/services: ₹2784.00 million;</li> <li>• Management support services: ₹100.32 million</li> <li>• Rent Received: ₹54.95</li> </ul> | <ul style="list-style-type: none"> <li>• Rent Paid- ₹1.87 million</li> </ul> | <ul style="list-style-type: none"> <li>• Purchase of products/ services: ₹1148.91 million</li> <li>• Reimbursement of Expenses: ₹ 3.37 million</li> </ul> | <ul style="list-style-type: none"> <li>• Sale of products/ services: ₹ 3147.33 million</li> <li>• Interest income on loan ₹ 22.36 million</li> </ul> |



|     |                                                                                |   |                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                          |                                                                                                                                                                                                                                                                                                                |                                                                                                                                                                                                                                                                                                                |
|-----|--------------------------------------------------------------------------------|---|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (e) | Justification for entering into such contracts or arrangements or transactions | : | The proposed transaction relates to the sale/purchase of products between the Company and the related party, which is part of the Company's regular line of business. Such transactions are necessary for ensuring business continuity, achieving operational efficiencies, and meeting customer requirements. | The proposed transaction relates to rental/lease arrangements with the related party for use of premises by the Company for its business operations. The premises are required for the smooth functioning of the Company's business and are considered essential for carrying out day-to-day operations. | The proposed transaction relates to the sale/purchase of products between the Company and the related party, which is part of the Company's regular line of business. Such transactions are necessary for ensuring business continuity, achieving operational efficiencies, and meeting customer requirements. | The proposed transaction relates to the sale/purchase of products between the Company and the related party, which is part of the Company's regular line of business. Such transactions are necessary for ensuring business continuity, achieving operational efficiencies, and meeting customer requirements. |
| (f) | date(s) of approval by the Board                                               | : | August 30, 2025                                                                                                                                                                                                                                                                                                | August 30, 2025                                                                                                                                                                                                                                                                                          | August 30, 2025                                                                                                                                                                                                                                                                                                | August 30, 2025                                                                                                                                                                                                                                                                                                |
| (g) | Amount paid as advances, if any                                                | : | Nil                                                                                                                                                                                                                                                                                                            | Nil                                                                                                                                                                                                                                                                                                      | Nil                                                                                                                                                                                                                                                                                                            | Nil                                                                                                                                                                                                                                                                                                            |

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

Sd/-

Name : **Venugopalrao Maddisetty**  
 Designation : Chairman & Managing Director  
 DIN : 02070491

Date : May 25, 2026  
 Place : Bengaluru

Sd/-

**Padma Venugopal Maddisetty**  
 Whole-time Director  
 02070662

May 25, 2026  
 Bengaluru

## Annexure - 4

### Particulars of Employees

The information required under Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are as follows:

#### I. Disclosures as per Rule 5(1):

##### a) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year: 2025-26

###### i) Executive Directors:

| Name                           | DIN      | Designation                  | Ratio to Median remuneration |
|--------------------------------|----------|------------------------------|------------------------------|
| Mr. Venugopalrao Maddisetty    | 02070491 | Chairman & Managing Director | 93                           |
| Ms. Padma Venugopal Maddisetty | 02070662 | Whole-time Director          | 83                           |
| Mr. Rajiv Maddisetty           | 08495070 | Whole-time Director          | 45                           |

###### ii) Non-Executive/ Independent Directors:

| Name                      | DIN      | Designation          | Ratio to Median remuneration |
|---------------------------|----------|----------------------|------------------------------|
| Mr. Satishchandra B Ogale | 07125244 | Independent Director | -                            |
| Mr. Om Prakash Mishra     | 09244477 | Independent Director | -                            |
| Mr. Prabhakar Reddy Patil | 00377406 | Independent Director | -                            |

##### b) The percentage increase in remuneration of each director, chief executive officer, chief financial officer, Company secretary in the financial year:

| Name                           | Designation                            | % increase in remuneration in the Financial Year |
|--------------------------------|----------------------------------------|--------------------------------------------------|
| Mr. Venugopalrao Maddisetty    | Chairman & Managing Director           | 27%                                              |
| Mr. Rajiv Maddisetty           | Whole-time Director                    | 20%                                              |
| Ms. Padma Venugopal Maddisetty | Whole-time Director                    | 15%                                              |
| Mr. Satishchandra B Ogale      | Independent Director                   | -                                                |
| Mr. Om Prakash Mishra          | Independent Director                   | -                                                |
| Mr. Prabhakar Reddy Patil      | Independent Director                   | -                                                |
| Mr. Rajavendhan P              | Chief Financial Officer                | 15%                                              |
| Ms. Meghana MP                 | Company Secretary & Compliance Officer | 45%                                              |

##### c) The percentage increase in the median remuneration of employees in the financial year: 17%

##### d) The number of permanent employees on the rolls of Company: 1537

##### e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

| Average percentile increase already made in the salaries of employees other than the managerial personnel | percentile increase in the managerial remuneration | Justification, if any |
|-----------------------------------------------------------------------------------------------------------|----------------------------------------------------|-----------------------|
| 4.9%                                                                                                      | Nil                                                | -                     |

##### (f) Affirmation that the remuneration is as per the remuneration policy of the Company:

The Company affirms remuneration is as per the remuneration policy of the Company.

##### (g) The key parameters for any variable component of remuneration availed by the executive directors:

Not Applicable

## II. Disclosures as per Rule 5(2): Top 10 employees based on salary

| Sl No | Name                         | Designation                            | Remuneration received (₹ In Million) | Nature of employment | Qualifications and Experience of the employee                                                              | Date of commencement of employment | Age | Last employment held by such employee before joining the company | Percentage of equity shares held by the employee in the company | Whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager |
|-------|------------------------------|----------------------------------------|--------------------------------------|----------------------|------------------------------------------------------------------------------------------------------------|------------------------------------|-----|------------------------------------------------------------------|-----------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------|
| 1.    | Prafull Ranjan Singh         | Head - Projects & Operations (Telecom) | 8.52                                 | Permanent            | Bachelor of Engineering<br>Experience: 29 Years                                                            | June 17, 2024                      | 55  | SRFM<br>Calculus<br>India Private Limited                        | Negligible                                                      | No                                                                                                                            |
| 2.    | Surajit Khan                 | Head - Projects                        | 7.98                                 |                      | Post Graduate Diploma in Management<br>Experience: 27 Years                                                | September 10, 2018                 | 55  | Quess Corp Limited                                               |                                                                 |                                                                                                                               |
| 3.    | Rajavendhan P                | Chief Financial Officer                | 7.79                                 |                      | Chartered Accountant<br>Experience: 14 Years                                                               | June 02, 2022                      | 41  | Solara<br>Active Pharma Sciences Limited                         |                                                                 |                                                                                                                               |
| 4.    | Sathiyaseelan T              | Head - ICT - Technical & Operations    | 6.60                                 |                      | Master of Computer Applications<br>Experience: 29 Years                                                    | January 03, 2024                   | 52  | Ashoka Buildcon Limited                                          |                                                                 |                                                                                                                               |
| 5.    | Alok Singhal                 | Senior Vice President (SVP) - Sales    | 6.33                                 |                      | Bachelor of Engineering in (Electronics)<br>Experience: 28 Years                                           | October 27, 2022                   | 56  | Lineage Power Private Limited                                    |                                                                 |                                                                                                                               |
| 6.    | Praveen Shashidhar Hebbalkar | Group Head - SCM                       | 5.13                                 |                      | Bachelor of Engineering (Industrial Production) and Diploma in Business Management<br>Experience: 30 Years | June 17, 2024                      | 53  | Matrix Gas and Renewable Limited                                 |                                                                 |                                                                                                                               |
| 7.    | Sunil Jayam                  | Business Head - Energy                 | 4.99                                 |                      | Bachelor of Engineering<br>Experience: 28 Years                                                            | April 09, 2024                     | 55  | Matrix Gas and Renewables Limited                                |                                                                 |                                                                                                                               |
| 8.    | Ram Krishan Agnihotri        | Associate Vice President               | 4.65                                 |                      | Master of Engineering<br>Experience: 21 Years                                                              | March 12, 2012                     | 45  | GE Electronics                                                   |                                                                 |                                                                                                                               |
| 9.    | Dinesh Kumar Yadav           | Regional Head                          | 3.48                                 |                      | Diploma in Civil Engineering<br>Experience: 27 Years                                                       | October 12, 2019                   | 47  | Prathap Technocrate                                              |                                                                 |                                                                                                                               |
| 10.   | Debi Prasad Mishra           | General Manager                        | 3.22                                 |                      | Bachelor of Engineering<br>Experience: 23 Years                                                            | January 04, 2021                   | 44  | Quess Corp Limited                                               |                                                                 |                                                                                                                               |

### For and on behalf of the Board of Directors of Pace Digitek Limited

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

|                                  |                                  |                                   |
|----------------------------------|----------------------------------|-----------------------------------|
|                                  | Sd/-                             | Sd/-                              |
| Name                             | : <b>Venugopalrao Maddisetty</b> | <b>Padma Venugopal Maddisetty</b> |
| Designation                      | : Chairman & Managing Director   | Whole-time Director               |
| DIN/<br>Membership<br>Number/PAN | : 02070491                       | 02070662                          |
| Date                             | : May 25, 2026                   | May 25, 2026                      |
| Place                            | : Bengaluru                      | Bengaluru                         |



## Annexure - 5



# Business Responsibility & Sustainability Report



### SECTION General Disclosures

#### I. Details of the listed Entity

|                                                                                                                                                                                                                                                                        |                                                                                                                                |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------|
| 1. Corporate Identity Number (CIN)                                                                                                                                                                                                                                     | L31909KA2007PLC041949                                                                                                          |
| 2. Name of the Listed Entity                                                                                                                                                                                                                                           | Pace Digitek Limited                                                                                                           |
| 3. Date of Incorporation                                                                                                                                                                                                                                               | March 01, 2007                                                                                                                 |
| 4. Registered office address                                                                                                                                                                                                                                           | Plot # V 12, Industrial Estate, Kumbalgodu, Bangalore<br>Mysore Highway, Bangalore, Karnataka, India, 560074                   |
| 5. Corporate Address                                                                                                                                                                                                                                                   | Plot # V 12, Industrial Estate, Kumbalgodu, Bangalore<br>Mysore Highway, Bangalore, Karnataka, India, 560074                   |
| 6. E-mail address                                                                                                                                                                                                                                                      | <a href="mailto:complianceofficer@pacedigitek.com">complianceofficer@pacedigitek.com</a>                                       |
| 7. Telephone No.                                                                                                                                                                                                                                                       | +91 80 29547792                                                                                                                |
| 8. Website                                                                                                                                                                                                                                                             | <a href="http://www.pacedigitek.com">www.pacedigitek.com</a>                                                                   |
| 9. Financial year for which reporting is being done                                                                                                                                                                                                                    | 2025-26                                                                                                                        |
| 10. Name of the Stock Exchange(s) where shares are listed                                                                                                                                                                                                              | BSE, NSE                                                                                                                       |
| 11. Paid-up Capital (in ₹)                                                                                                                                                                                                                                             | 43,17,02,654                                                                                                                   |
| 12. Name and contact details of the person who may be contacted in case of any queries on the BRSR report                                                                                                                                                              | Ajay Tambhale<br>+91 74839 41773<br><a href="mailto:investor.relations@pacedigitek.com">investor.relations@pacedigitek.com</a> |
| 13. Reporting boundary - Are the disclosures under this report made on a standalone basis (i.e. only for the entity) or on a consolidated basis (i.e. for the entity and all the entities which form a part of its consolidated financial statements, taken together). | Consolidated basis                                                                                                             |
| 14. Name of assurance provider                                                                                                                                                                                                                                         | Not Applicable                                                                                                                 |
| 15. Type of assurance obtained                                                                                                                                                                                                                                         | Not Applicable                                                                                                                 |

## II. Products/Services

### 16. Details of business activities (accounting for 90% of the turnover)

| Description of main activity | Description of business activity                                                                                                                                                                             | % of Turnover of the entity |
|------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|
| Telecom Infra                | Manufacture and supply of telecom power systems and telecom infrastructure components, together with EPC and O&M services for telecom network and tower infrastructure.                                      | 55%                         |
| Energy Solutions             | Manufacture of lithium-ion batteries, battery energy storage systems (BESS), power conversion systems and energy management systems, together with EPC and O&M services for energy and power infrastructure. | 45%                         |

### 17. Products/Services sold by the entity (accounting for 90% of the entity's Turnover)

| Product/Service                                                | NIC Code              | % of total Turnover contributed |
|----------------------------------------------------------------|-----------------------|---------------------------------|
| Manufacture of electrical machinery and apparatus, EPC and O&M | 35105/ 422004/ 272003 | 100%                            |

## III. Operations

### 18. Number of locations where plants and/or operations/offices of the entity are situated

| Location      | Number of Plants | Number of Offices | Total |
|---------------|------------------|-------------------|-------|
| National      | 3                | 30                | 33    |
| International | 0                | 2                 | 2     |

### 19. Markets served by the entity

#### i. Number of locations

| Location                         | Number of plants                |
|----------------------------------|---------------------------------|
| National (No. of States)         | 18 States and 2 Union Territory |
| International (No. of Countries) | 0                               |

#### ii. What is the contribution of exports as a percentage of the total turnover of the entity?

Not Applicable

#### iii. A brief on types of customers

The Company caters primarily to institutional and B2B customers across the telecom and power sectors, comprising telecom network operators and tower infrastructure providers, State Electricity Boards and power distribution utilities, electricity generation companies (including renewable energy producers), and private B2B customers in industrial, commercial and EPC segments. Customer engagements are largely contract-based.

## IV. Employees

### 20. Details as at the end of Financial Year

#### i. Employees (including differently abled)

| Particulars                   | Total (A)    | Male         |               | Female     |              |
|-------------------------------|--------------|--------------|---------------|------------|--------------|
|                               |              | No. (B)      | % (B/A)       | No. (C)    | % (C/A)      |
| Permanent (E)                 | 1,867        | 1,776        | 95.13%        | 91         | 4.87%        |
| Other than Permanent (F)      | 866          | 797          | 92.03%        | 69         | 7.97%        |
| <b>Total employees (E+F)*</b> | <b>2,733</b> | <b>2,573</b> | <b>94.15%</b> | <b>160</b> | <b>5.85%</b> |

#### ii. Differently abled employees

No differently abled employees

\*Nos. at Group Level

## 21. Participation/Inclusion/Representation of women

|                          | Total (A) | No. of Female (B) | % (B/A) of Females |
|--------------------------|-----------|-------------------|--------------------|
| Board of Directors       | 6         | 1                 | 16.67%             |
| Key Management Personnel | 2         | 1                 | 50%                |

## 22. Turnover rate for permanent employees and workers

|              | FY 2025-2026        |
|--------------|---------------------|
|              | Permanent Employees |
| Male         | 21.6%               |
| Female       | 23.0%               |
| <b>Total</b> | <b>21.6%</b>        |

## V. Holding, Subsidiary & Assoc. Companies (including joint ventures)

### 23. Names of holding / subsidiary / associate companies / joint ventures

| Name of the holding / subsidiary / associate companies / joint ventures (A) | Indicate whether holding/ Subsidiary/ Associate/ Joint Venture | % of shares held by listed entity | Entity indicated at col A, participate in the Business Responsibility initiatives of the listed entity? |
|-----------------------------------------------------------------------------|----------------------------------------------------------------|-----------------------------------|---------------------------------------------------------------------------------------------------------|
| Lineage Power Private Limited                                               | Subsidiary                                                     | 79.73%                            | Yes                                                                                                     |
| Pace Renewable Energies Private Limited                                     | Subsidiary                                                     | 100%                              | Yes                                                                                                     |
| Inso Pace Private Limited                                                   | Subsidiary                                                     | 51%                               | Yes                                                                                                     |
| Transgreenx Energy Private Limited                                          | Subsidiary                                                     | 100%                              | Yes                                                                                                     |
| Lineage Defence and Aerospace Private Limited                               | Subsidiary                                                     | 100%                              | No                                                                                                      |
| Pace Ecoplanet Solace Private Limited                                       | Subsidiary                                                     | 60%                               | No                                                                                                      |
| Lineage Power Holdings (Singapore) Pte Ltd                                  | Step Down Subsidiary                                           | -                                 | No                                                                                                      |
| Lineage Power (Myanmar) Limited                                             | Step Down Subsidiary                                           | -                                 | No                                                                                                      |

## VI. CSR Details

### 24. Enter details for Corporate Social Responsibility(CSR)

#### i. Whether CSR is applicable as per section 135 of Companies Act, 2013

Yes

#### ii. Turnover (In ₹ Millions): 26,413

#### iii. Net worth (In ₹ Millions): 22,522

Disclosure Not Available

## VII. Transparency and Disclosures Compliances

### 25. Complaints on any of the principles (Principles 1 to 9) under the National Guidelines on Responsible Business Conduct.

| Stakeholder group from whom the complaint is received | Grievance Redressal Mechanism in place | Web-link for grievance redress policy                                                       | FY 2025-2026                                |                                                               |        |
|-------------------------------------------------------|----------------------------------------|---------------------------------------------------------------------------------------------|---------------------------------------------|---------------------------------------------------------------|--------|
|                                                       |                                        |                                                                                             | No. of complaints filed during current year | No. of complaints pending resolution at close in current year | Remark |
| Communities                                           | Yes                                    | <a href="https://www.pacedigitek.com/contact-us">https://www.pacedigitek.com/contact-us</a> | Nil                                         | Nil                                                           | Nil    |
| Shareholders                                          | Yes                                    |                                                                                             | 2                                           | 1                                                             | Nil    |
| Investors                                             | Yes                                    |                                                                                             | Nil                                         | Nil                                                           | Nil    |
| Employees and workers                                 | Yes                                    |                                                                                             | Nil                                         | Nil                                                           | Nil    |
| Customers                                             | Yes                                    |                                                                                             | Nil                                         | Nil                                                           | Nil    |
| Value Chain Partners                                  | Yes                                    |                                                                                             | Nil                                         | Nil                                                           | Nil    |



## 26. Overview of the entity's material responsible business conduct issues

Please indicate material responsible business conduct and sustainability issues pertaining to environmental and social matters that present a risk or an opportunity to your business, rationale for identifying the same, approach to adapt or mitigate the risk along-with its financial implications

| Material issue identified                              | Indicate whether risk or opportunity | Rationale for identifying risk/opportunity                                                                                                                                                                                                                                                    | In case of risk, approach to adapt or mitigate                                                                                                                                   | Financial implications of the risk or opportunity                                                                            |
|--------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|
| Transition to clean energy and energy storage demand   | Opportunity                          | India's energy transition, renewable energy targets and grid-scale storage push are driving strong demand for battery energy storage systems (BESS), solar EPC and telecom-tower solarisation - areas core to the Company's portfolio and now its major source of order inflows.              | Expanding BESS manufacturing capacity, strengthening integrated cell-to-container capabilities and growing the renewable and EPC order book.                                     | New revenue streams, a larger order book and improved long-term growth visibility.                                           |
| Energy management and GHG emissions                    | Risk                                 | Manufacturing of power systems and BESS, energy-intensive project execution and operation of telecom infrastructure result in Scope 1 and Scope 2 emissions. Tightening climate regulation, carbon pricing and customer decarbonisation expectations could raise energy and compliance costs. | Improving energy efficiency at manufacturing facilities, increasing the share of renewable (solar) power, solarisation of telecom sites and monitoring emission intensity.       | In increase energy and compliance costs; efficiency and renewable adoption are expected to reduce long-term operating costs. |
| Product stewardship and battery / e-waste management   | Risk                                 | Lithium-ion batteries and electronic products require safe handling, recycling and disposal under the Battery Waste and E-Waste Management Rules. Inadequate end-of-life management carries regulatory and reputational risk.                                                                 | Designing products for recyclability, complying with Extended Producer Responsibility (EPR) obligations, partnering with authorised recyclers and tracking end-of-life recovery. | If unmanaged (penalties and take-back costs); responsible management supports compliance and circular-economy value.         |
| Occupational health and safety                         | Risk                                 | Tower erection, electrical work, EPC activities and manufacturing involve work-at-height, electrical and material-handling hazards. Incidents can cause harm to people, project downtime and liability.                                                                                       | Safety management systems, regular training, use of PPE, permit-to-work procedures, periodic audits and contractor safety governance.                                            | Incidents lead to costs, delays and claims; a strong safety culture reduces these and protects business continuity.          |
| Responsible supply chain and critical mineral sourcing | Risk                                 | Dependence on lithium cells, electronic components and imported inputs exposes the Company to price volatility, supply disruption and ESG risks within the upstream value chain.                                                                                                              | Diversifying the supplier base, increasing local sourcing aligned with Make-in-India, screening suppliers on ESG parameters and prudent inventory planning.                      | Through input-cost and availability risk; mitigation improves cost stability and operational resilience.                     |

| Material issue identified                             | Indicate whether risk or opportunity | Rationale for identifying risk/opportunity                                                                                                                                                          | In case of risk, approach to adapt or mitigate                                                                               | Financial implications of the risk or opportunity                                            |
|-------------------------------------------------------|--------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------|
| Business ethics, governance and regulatory compliance | Risk                                 | Operating across multiple geographies and serving public-sector clients demands high standards of governance, anti-bribery and compliance. Lapses risk penalties and disqualification from tenders. | Code of conduct, board oversight, anti-corruption policies, a whistle-blower mechanism and continuous compliance monitoring. | If breached; strong governance protects the licence to operate and access to public tenders. |

Source: SASB industry topics, DJSI CSA topics

## 27. Do you have any additional details or comments you would like to provide?

Disclosure Not Available



## SECTION Management & Process Disclosures

### I. Policy and management processes

| Disclosure Questions                                                                                                                                                                                                                                       | P1                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| 1. a. Whether your entity's policy/policies cover each principle and its core elements of the NGRBCs. (Yes/No)                                                                                                                                             | Y                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| b. Has the policy been approved by the Board? (Yes/No)                                                                                                                                                                                                     | Y                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | Y  | Y  | Y  | Y  | Y  | Y  | Y  | Y  |
| c. Web Link of the Policies, if available                                                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |    |    |    |    |    |    |    |    |
| 2. Whether the entity has translated the policy into procedures. (Yes / No)                                                                                                                                                                                | Y                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    | N  | Y  | N  | Y  | Y  | Y  | Y  | Y  |
| 3. Do the enlisted policies extend to your value chain partners? (Yes/No)                                                                                                                                                                                  |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |    |    |    |    |    |    |    |    |
| 4. Name of the national and international codes/certifications/labels/ standards (e.g. Forest Stewardship Council, Fairtrade, Rainforest Alliance, Trustea) standards (e.g. SA 8000, OHSAS, ISO, BIS) adopted by your entity and mapped to each principle. | <p>The Company has adopted and maintains the following management-system standards, mapped to the relevant NGRBC Principles:</p> <p>ISO 9001:2015 – Quality Management (Principles 2 and 9);</p> <p>ISO 14001:2015 – Environmental Management (Principle 6);</p> <p>ISO 45001:2018 – Occupational Health and Safety Management (Principle 3);</p> <p>ISO 27001:2022 – Information Security Management (Principle 9);</p> <p>ISO 20000-1:2018 – IT Service Management (Principle 9).</p>                                                                                                                                                                                                                                                                                              |    |    |    |    |    |    |    |    |
| 5. Specific commitments, goals and targets set by the entity with defined timelines, if any.                                                                                                                                                               | <p>While the Company has not yet published quantified, time-bound ESG targets, it has defined the commitment areas that guide its sustainability agenda: strengthening occupational health and safety under its HSE Vision 2026, including a zero lost-time-injury commitment at its battery energy storage facility; reducing reliance on diesel gensets and increasing the share of renewable energy in its operations; zero-liquid-discharge water management and responsible waste handling; and maintaining its ISO-certified quality, environmental, health and safety, information security and service-management systems, alongside continued community development through PACE Foundation. The company is on the verge of determining and publishing its ESG targets.</p> |    |    |    |    |    |    |    |    |

| Disclosure Questions                                                                                                              | P1                                                                                                                                                                                                                                                                                                                                                                                                        | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
| 6. Performance of the entity against the specific commitments, goals and targets along-with reasons in case the same are not met. | As the Company is in the process of formalising its ESG commitments into quantified, time-bound targets, structured performance reporting against such targets will commence from the year in which the targets are formally set and adopted. During FY 2025-26, the Company continued to monitor performance through its ISO-certified management systems and its HSE, environmental and CSR programmes. |    |    |    |    |    |    |    |    |

## II. Governance, leadership and oversight

### 7. Statement by director responsible for the business responsibility report, highlighting ESG related challenges, targets and achievements.

At Pace Digitek Limited, we believe that responsible business and sustainable growth are inseparable from long-term value creation. Guided by our commitment to People, Planet and Prosperity, we treat environmental, social and governance (ESG) considerations as core to how we design, manufacture and deliver telecom and energy infrastructure. FY 2025-26 was a milestone year for the Company, marked by our listing on the BSE and NSE, and we have used this transition to public markets to further strengthen our governance and responsible-business framework, which is anchored in ISO-certified quality, environmental, occupational health and safety, information security and service-management systems.

During the year we advanced our sustainability agenda through initiatives such as zero-liquid-discharge water management, adoption of renewable energy and our HSE Vision 2026, while maintaining a strong safety record that includes a zero lost-time-injury performance at our battery energy storage facility. Our people practices were recognised through Great Place to Work certification, supported by structured training and a zero-tolerance approach to workplace harassment, and our community initiatives, delivered through PACE Foundation, focused on redeveloping government-school infrastructure. As a newly listed company, we recognise that a key priority is to further formalise and baseline our ESG data and to set measurable, time-bound targets under each of the nine NGRBC Principles. This remains our focus for the year ahead as we embed sustainability more deeply into our operations and value chain.

### 8. Details of the highest authority responsible for implementation and oversight of the Business Responsibility policy (ies).

The Board of Directors of Pace Digitek Limited is the highest authority responsible for the implementation and oversight of the Business Responsibility policies of the Company. The Board is supported in this function by the Managing Director and senior management, who are responsible for day-to-day implementation, while the ESG / CSR Committee of the Board provides focused oversight on sustainability and responsible business conduct matters, with periodic review of key risks, performance and mitigation actions.

### 9. Does the entity have a specified Committee of the Board/ Director responsible for decision making on Sustainability related issues?

#### If yes, provide details

Yes. The Company has constituted a Board-level ESG / CSR Committee that is responsible for decision-making on sustainability-related issues, including environmental, social and governance matters and Business Responsibility & Sustainability disclosures. The Committee is supported by senior management and meets periodically to review the Company's ESG performance, risks, policies and mitigation actions, and reports its observations to the Board of Directors.



## 10. Details of Review of NGRBCs by the Company.

| Subject for Review                                                                                               | Indicate whether the review was undertaken by Director/committee of the board/ any other committee |    |    |    |    |    |    |    |    | Frequency (Annually/ Half yearly/ Quarterly/ Any other - please specify) |    |    |    |    |    |    |    |    |
|------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|----|----|----|----|----|----|----|----|--------------------------------------------------------------------------|----|----|----|----|----|----|----|----|
|                                                                                                                  | P1                                                                                                 | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 | P1                                                                       | P2 | P3 | P4 | P5 | P6 | P7 | P8 | P9 |
| Performance against above policies and follow up action                                                          | All the policies are reviewed by the Board members and others in senior management.                |    |    |    |    |    |    |    |    | The reviews are done on an annual basis.                                 |    |    |    |    |    |    |    |    |
| Compliance with statutory requirements of relevance to the principles, and, rectification of any non-compliances | -                                                                                                  |    |    |    |    |    |    |    |    |                                                                          |    |    |    |    |    |    |    |    |

## 11. Has the entity carried out independent assessment/ evaluation of the working of its policies by an external agency?

No, we have not carried out any independent assessment/ evaluation of the working of our policies by an external agency during the reporting period.

## 12. If answer to question (1) above is "No" i.e. not all Principles are covered by a policy, reasons to be stated:

Not Applicable



## SECTION Principle wise performance disclosure



**Principle 1:** Businesses should conduct and govern themselves with integrity, and in a manner that is Ethical, Transparent and Accountable.



## Essential Indicators

### 1. Percentage coverage by training and awareness programmes on any of the Principles during the financial year:

| Segment                           | Total number of training and awareness programmes held | Topics/Principles covered under the training and its impact | %age of persons in respective category covered by awareness programmes |
|-----------------------------------|--------------------------------------------------------|-------------------------------------------------------------|------------------------------------------------------------------------|
| Board of Directors                | 3                                                      | SEBI LODR, PIT regulations, Independent Director Duties     | 100%                                                                   |
| Key Managerial Personnel          | 3                                                      | SEBI LODR, PIT regulations, RPT training                    | 100%                                                                   |
| Employees other than BoD and KMPs | 2                                                      | Health and Safety training and Skill upgradation training   | 100%                                                                   |

**2. Details of fines / penalties /punishment/ award/ compounding fees/ settlement amount paid in proceedings (by the entity or by directors / KMPs) with regulators/ law enforcement agencies/ judicial institutions, in the financial year**

**i. Monetary: Penalty/ Fine**

| NGRBC Principle | Name of regulatory / enforcement agencies / judicial institutions | Amount (₹) | Brief of the Case                                                                                                      | Has an appeal been preferred? |
|-----------------|-------------------------------------------------------------------|------------|------------------------------------------------------------------------------------------------------------------------|-------------------------------|
| Principle 1     | Registrar of Companies, Bengaluru, Ministry of Corporate Affairs  | 14,79,394  | Penalty pursuant to adjudication proceedings relating to non-compliance with Section 135(5) of the Companies Act, 2013 | No                            |
| Principle 1     | Registrar of Companies, Bengaluru, Ministry of Corporate Affairs  | 17,91,196  | Penalty pursuant to adjudication proceedings relating to non-compliance with Section 135(5) of the Companies Act, 2013 | No                            |
| Principle 1     | Registrar of Companies, Bengaluru, Ministry of Corporate Affairs  | 20,56,000  | Penalty pursuant to adjudication proceedings relating to non-compliance with Section 135(5) of the Companies Act, 2013 | No                            |

**ii. Monetary: Settlement**

| NGRBC Principle | Name of the Regulatory/ enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? |
|-----------------|---------------------------------------------------------------------|---------------|-------------------|-------------------------------|
| -               | -                                                                   | -             | -                 | -                             |

**iii. Monetary: Compounding fee**

| NGRBC Principle | Name of the Regulatory/ enforcement agencies/ judicial institutions | Amount (In ₹) | Brief of the Case | Has an appeal been preferred? |
|-----------------|---------------------------------------------------------------------|---------------|-------------------|-------------------------------|
| -               | -                                                                   | -             | -                 | -                             |

**iv. Non-Monetary: Imprisonment**

| NGRBC Principle | Name of the Regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? |
|-----------------|---------------------------------------------------------------------|-------------------|-------------------------------|
| -               | -                                                                   | -                 | -                             |

**v. Non-Monetary: Punishment**

| NGRBC Principle | Name of the Regulatory/ enforcement agencies/ judicial institutions | Brief of the Case | Has an appeal been preferred? |
|-----------------|---------------------------------------------------------------------|-------------------|-------------------------------|
| -               | -                                                                   | -                 | -                             |

**3. Of the instances disclosed in Question 2 above, details of the Appeal/ Revision preferred in cases where monetary or non-monetary action has been appealed.**

| Case Details | Name of the regulatory/enforcement agencies/ judicial institutions |
|--------------|--------------------------------------------------------------------|
| -            | -                                                                  |

#### 4. Does the entity have an anti-corruption policy or anti-bribery policy?

Yes. The Company has adopted a Board-approved Anti-Corruption & Anti-Bribery Policy reflecting a zero-tolerance approach to bribery and corruption in any form, including misconduct through third parties or intermediaries. The Policy applies to all employees and workers (including contractual and temporary personnel) and extends to suppliers, vendors, business partners, consultants, agents, subcontractors, joint venture partners, logistics providers and other third parties engaged in EPC execution, procurement, project deployment or regulatory interfacing. It prohibits bribes, kickbacks, success fees linked to contract awards, facilitation payments and disproportionate gifts or hospitality; governs political contributions, donations and sponsorships through prior written authorization and documented approvals; mandates accurate books and records; and requires risk-based due diligence and anti-corruption obligations for third parties. Concerns can be raised confidentially through the Company's whistleblower mechanism, with protection against retaliation, and non-compliance is addressed under Company policies and applicable laws, supported by periodic audits, training and risk assessments.

#### 5. Number of Directors/KMPs/employees/workers against whom disciplinary action was taken by any law enforcement agency for the charges of bribery/ corruption

|           | FY 2025-2026 | FY 2024-2025 |
|-----------|--------------|--------------|
| Directors | 0            | 0            |
| KMPs      | 0            | 0            |
| Employees | 0            | 0            |
| Workers   | 0            | 0            |

#### 6. Details of complaints with regard to conflict of interest:

|                                                                                              | FY 2025-2026 |        | FY 2024-2025 |        |
|----------------------------------------------------------------------------------------------|--------------|--------|--------------|--------|
|                                                                                              | Number       | Remark | Number       | Remark |
| Number of complaints received in relation to issues of Conflict of Interest of the Directors | 0            | -      | 0            | -      |
| Number of complaints received in relation to issues of Conflict of Interest of the KMPs      | 0            | -      | 0            | -      |

#### 7. Provide details of any corrective action taken or under way on issues related to fines / penalties / action taken by regulators/ law enforcement agencies/ judicial institutions, on cases of corruption and conflicts of interest.

Not applicable

#### 8. Number of days of accounts payables

|                                     | FY 2025-2026 | FY 2024-2025 |
|-------------------------------------|--------------|--------------|
| Number of days of accounts payables | 242          | 236          |

#### 9. Open-ness of business - Provide details of concentration of purchases and sales with trading houses, dealers, and related parties along-with loans and advances & investments, with related parties, in the following format

##### i. Concentration of Purchases

| Metrics                                                                             | FY 2025-2026                                                                                                                                                                                                | FY 2024-2025 |
|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| a. Purchases from trading houses as % of total purchases                            | Not Applicable - the Company sources directly from manufacturers, OEMs and authorised distributors for its EPC and project deliveries; purchases through trading houses are not material to its operations. |              |
| b. Number of trading houses where purchases are made from                           |                                                                                                                                                                                                             |              |
| c. Purchases from top 10 trading houses as % of total purchases from trading houses |                                                                                                                                                                                                             |              |



**ii. Concentration of Sales**

| Metrics                                                                                 | FY 2025-2026                                                                                                                                                                                                                               | FY 2024-2025 |
|-----------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------|
| a. Sales to dealers / distributors as % of total sales                                  | Not Applicable - the Company operates a B2B project-based business model serving telecom operators, utilities and government / institutional customers directly; sales through dealers or distributors are not material to its operations. |              |
| b. Number of dealers / distributors to whom sales are made                              |                                                                                                                                                                                                                                            |              |
| c. Sales to top 10 dealers / distributors as % of total sales to dealers / distributors |                                                                                                                                                                                                                                            |              |
| d. Investments (Investments in related parties / Total Investments made)                |                                                                                                                                                                                                                                            |              |

**iii. Share of RPTs in**

| Metrics                                                                                  | FY 2025-2026 | FY 2024-2025 |
|------------------------------------------------------------------------------------------|--------------|--------------|
| a. Purchases (Purchases with related parties / Total Purchases)                          | 4.8%         | 8.7%         |
| b. Sales (Sales to related parties / Total Sales)                                        | 0.004%       | 0.070%       |
| c. Loans & advances (Loans & advances given to related parties / Total loans & advances) | Nil          | Nil          |
| d. Investments (Investments in related parties / Total Investments made)                 | Nil          | Nil          |

**Leadership Indicators****1. Awareness programmes conducted for value chain partners on any of the Principles during the financial year.**

| Total number of awareness programmes held | Topics / Principles covered under the training | Percentage of value chain partners covered (by value of business done with such partners) under the awareness programmes |
|-------------------------------------------|------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|
| -                                         | -                                              | -                                                                                                                        |

**2. Does the entity have processes in place to avoid / manage conflict of interests involving members of the Board?**

Yes. The Company has put in place processes to avoid and manage conflicts of interest involving members of the Board of Directors, which operate within the framework of the Companies Act, 2013, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the Company's Code of Conduct. Directors are required to disclose their interests in other entities and any concern or interest in transactions or arrangements with the Company at the first meeting of the Board in each financial year and whenever there is a change in such interests. Interested Directors do not participate in, or vote on, matters in which they are interested, and related party transactions are reviewed and approved by the Audit Committee and, where required, the Board and shareholders. The Code of Conduct further requires all Directors and senior management to avoid situations in which their personal interests may conflict with those of the Company.



**Principle 2:** Businesses should provide goods and services in a manner that is sustainable and safe



## Essential Indicators

1. **Percentage of R&D and capital expenditure (capex) investments in specific technologies to improve the environmental and social impacts of product and processes to total R&D and capex investments made by the entity, respectively.**

|       | FY 2025-2026 | FY 2024-2025 | Details of improvements in environmental and social impacts                                                                                                                                                                                                                                                                                                                                            |
|-------|--------------|--------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| R&D   | -            | -            | R&D is directed towards lithium-ion battery, battery energy storage system (BESS) and power-conversion and energy-management technologies that reduce dependence on diesel-generator (DG) sets at telecom and grid sites. These technologies lower fuel consumption, greenhouse-gas emissions and noise, while improving the reliability and quality of power supply at remote and off-grid locations. |
| Capex | 100%         | 100%         | Capex is directed towards technologies and infrastructure that enable the integration of renewable energy into operations and reduce the carbon intensity of energy consumed – including energy-storage and hybrid power solutions that increase the share of renewable energy in total energy consumption and support cleaner, more efficient energy use.                                             |

2. **Does the entity have procedures in place for sustainable sourcing?**

**We are creating the sustainable sourcing policy**

**What percentage of inputs were sourced sustainably?**

Currently not monitored

3. **Describe the processes in place to safely reclaim your products for reusing, recycling and disposing at the end of life**
4. **Whether Extended Producer Responsibility (EPR) is applicable to the entity's activities (Yes / No).**

Not Applicable, given the nature of the Company's business

## Leadership Indicators

1. **Has the Company conducted Life Cycle Assessments (LCA) for its products /services?**  
Not Applicable
2. **If there are any significant social or environmental concerns and/or risks arising from production or disposal of your products / services, as identified in the Life Cycle Perspective / Assessments (LCA) or through any other means, briefly describe the same along-with action taken to mitigate the same**  
Not Applicable
3. **Percentage of recycled or reused input material to total material (by value) used in production (for manufacturing industry) or providing services (for service industry).**  
Not Applicable
4. **Of the products and packaging reclaimed at end of life of products, amount (in metric tonnes) reused, recycled, and safely disposed, as per the following format.**  
Not Applicable
5. **Reclaimed products and their packaging materials (as percentage of products sold) for each product category.**  
Not Applicable



**Principle 3:** Businesses should respect and promote the well-being of all employees, including those in their value chains



## Essential Indicators

### 1. Details of measures for the well-being of employees and workers.

#### a. Details of measures for the well-being of employees.

| Category | % of employees covered by      |                  |         |                    |         |                    |         |                    |         |                     |         |
|----------|--------------------------------|------------------|---------|--------------------|---------|--------------------|---------|--------------------|---------|---------------------|---------|
|          | Total<br>(A)                   | Health insurance |         | Accident insurance |         | Maternity benefits |         | Paternity benefits |         | Day care facilities |         |
|          |                                | Number<br>(B)    | % (B/A) | Number<br>(C)      | % (C/A) | Number<br>(D)      | % (D/A) | Number<br>(E)      | % (E/A) | Number<br>(F)       | % (F/A) |
|          | Permanent employees            |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male     | 1776                           | 1498             | 84.35%  | 1776               | 100%    | 0                  | 0%      | 1776               | 100%    | 1776                | 100%    |
| Female   | 91                             | 68               | 74.73%  | 91                 | 100%    | 91                 | 100%    | 0                  | 0%      | 91                  | 100%    |
| Total    | 1867                           | 1566             | 83.88%  | 1867               | 100%    | 91                 | 4.87%   | 1776               | 95.13%  | 1867                | 100%    |
|          | Other than Permanent employees |                  |         |                    |         |                    |         |                    |         |                     |         |
| Male     | 797                            | 797              | 100%    |                    |         |                    |         |                    |         |                     |         |
| Female   | 69                             | 69               | 100%    |                    |         | 69                 | 100%    |                    |         |                     |         |
| Total    | 866                            | 866              | 100%    |                    |         |                    |         |                    |         |                     |         |

#### b. Spending on measures towards well-being of employees and workers (including permanent and other than permanent) in the following format:

|                                                                                 | FY 2025-2026 | FY 2024-2025 |
|---------------------------------------------------------------------------------|--------------|--------------|
| iii. Cost incurred on wellbeing measures as a % of total revenue of the company | 0.11%        | 0.09%        |

### 2. Details of retirement benefits.

| Benefits | FY 2025-2026                                       |                                                |                                           |
|----------|----------------------------------------------------|------------------------------------------------|-------------------------------------------|
|          | No. of employees covered as a % of total employees | No. of workers covered as a % of total workers | Deducted and deposited with the authority |
| PF       | 100%                                               | –                                              | Yes                                       |
| Gratuity | 100%                                               | –                                              | Yes                                       |
| ESI      | 25.07%                                             | –                                              | Yes                                       |

### 3. Accessibility of workplaces. Are the premises / offices of the entity accessible to differently abled employees and workers, as per the requirements of the Rights of Persons with Disabilities Act, 2016? If not, whether any steps are being taken by the entity in this regard.

The Company is committed to providing a safe, inclusive and equitable workplace under its Human Rights Policy and ESG Policy. The Company endeavours to make its corporate offices and operational premises accessible to differently abled employees and workers, taking into account the layout, design and operational nature of each location. Where existing premises do not yet meet all accessibility requirements under the Rights of Persons with Disabilities Act, 2016, the Company progressively addresses these as part of office and facility upgrades and through reasonable accommodation on a case-by-case basis.

### 4. Does the entity have an equal opportunity policy as per the Rights of Persons with Disabilities Act, 2016?

Yes. The Company's Human Rights Policy and ESG Policy together set out its commitment to providing a workplace that is free from discrimination and harassment, with equal opportunity in employment irrespective of gender, age, caste, religion, disability or any other status, and to promoting diversity, equity and inclusion through merit-based employment practices. The Company will continue to formalise its equal opportunity framework in line with the requirements of the Rights of Persons with Disabilities Act, 2016.



## 5. Return to work and Retention rates of permanent employees and workers that took parental leave.

| Gender       | Permanent Employees |                |
|--------------|---------------------|----------------|
|              | Return to work rate | Retention rate |
| Male         | 14                  | 100%           |
| Female       | 1                   | 100%           |
| <b>Total</b> | <b>15</b>           | <b>100%</b>    |

## 6. Mechanism to receive and redress grievances

### i. Is there a mechanism available to receive and redress grievances for the following categories of employees and worker?

Yes. The Company has a formal grievance redressal mechanism in place that is accessible to all categories of employees and workers.

### ii. If yes, give details of the mechanism in brief.

Employees can share grievances to the respective HR team members through email communication wherein the grievances are addressed and concluded. The HR team is responsible for timely redressal of employee related grievances. The mechanism ensures that they can report and address their concerns confidentially and anonymously, without facing any reprisals or adverse consequences. All investigations conducted by the Company are treated as confidential matters.

## 7. Membership of employees and worker in association(s) or Unions recognised by the listed entity.

Not Applicable

## 8. Details of training given to employees and workers.

### i. Employees

| Category     | FY 2025-2026 |                               |               |                      |             |
|--------------|--------------|-------------------------------|---------------|----------------------|-------------|
|              | Total (A)    | On Health and safety measures |               | On Skill upgradation |             |
|              |              | No. (B)                       | % (B/A)       | No. (C)              | % (C/A)     |
| Male         | 1,776        | 1,471                         | 82.83%        | 1,776                | 100%        |
| Female       | 91           | 66                            | 72.53%        | 91                   | 100%        |
| <b>Total</b> | <b>1,867</b> | <b>1,537</b>                  | <b>86.54%</b> | <b>1,867</b>         | <b>100%</b> |

## 9. Details of performance and career development reviews of employees

### i. Employees

| Category     | FY 2025-2026 |              |             |
|--------------|--------------|--------------|-------------|
|              | Total (A)    | No. (B)      | % (B/A)     |
| Male         | 1,776        | 1,776        | 100%        |
| Female       | 91           | 91           | 100%        |
| <b>Total</b> | <b>1,867</b> | <b>1,867</b> | <b>100%</b> |

## 10. Health and safety management system.

- Whether an occupational health and safety management system has been implemented by the entity?
- What are the processes used to identify work-related hazards and assess risks on a routine and non-routine basis by the entity?
- Whether you have processes for workers to report the work related hazards and to remove themselves from such risks
- Do the employees/ worker of the entity have access to non-occupational medical and healthcare services?

**11. Details of safety related incidents, in the following format.**

| Safety Incident/Number                                                        | FY 2025-2026 |         |
|-------------------------------------------------------------------------------|--------------|---------|
|                                                                               | Employees    | Workers |
| Lost Time Injury Frequency Rate (LTIFR) (per one million-person hours worked) | 0            | -       |
| Total recordable work-related injuries                                        | 0            | -       |
| No. of fatalities                                                             | 0            | -       |
| High consequence work related injury or ill-health (excluding fatalities)     | 0            | -       |

**12. Describe the measures taken by the entity to ensure a safe and healthy work place.**

The Company is committed under its ESG Policy and Human Rights Policy to maintaining safe and healthy working conditions across its manufacturing facilities, EPC project sites and offices. Given the nature of the Company's operations, particular focus is placed on occupational health and safety risks associated with work-at-height activities, electrical safety and the handling of hazardous materials. Site-level safety measures include the provision and use of personal protective equipment (PPE), induction and on-the-job safety briefings, periodic toolbox talks, work permits and supervision for high-risk activities, incident reporting and investigation, and compliance with applicable occupational safety and labour laws. The Company also seeks to extend these standards to its contractors and sub-contractors through contractual obligations and site-level supervision.

**13. Number of Complaints on the following made by employees and workers.**

|                    | FY 2025-2026          |                                       |         |
|--------------------|-----------------------|---------------------------------------|---------|
|                    | Filed during the year | Pending resolution at the end of year | Remarks |
| Working Conditions | 0                     | 0                                     | -       |
| Health & Safety    | 0                     | 0                                     | -       |

**14. Assessments for the year**

|                             | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|-----------------------------|-------------------------------------------------------------------------------------------------------|
| Health and safety practices | 100%                                                                                                  |
| Working Conditions          | -                                                                                                     |

**15. Provide details of any corrective action taken or underway to address safety-related incidents (if any) and on significant risks / concerns arising from assessments of health & safety practices and working conditions.**

Not applicable as no such assessments were conducted.

## Leadership Indicators ●●●●●

1. Does the entity extend any life insurance or any compensatory package in the event of death.

|           |     |
|-----------|-----|
| Employees | Yes |
| Workers   | -   |

2. Provide the measures undertaken by the entity to ensure that statutory dues have been deducted and deposited by the value chain partners.

3. Provide the number of employees / workers having suffered high consequence work related injury / ill-health / fatalities (as reported in Q11 of Essential Indicators above), who have been are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment

|                                                                                                                                                   | FY 2025-2026 |         |
|---------------------------------------------------------------------------------------------------------------------------------------------------|--------------|---------|
|                                                                                                                                                   | Employees    | Workers |
| Total no. of affected employees/ workers.                                                                                                         | -            | -       |
| No. of employees/workers that are rehabilitated and placed in suitable employment or whose family members have been placed in suitable employment | -            | -       |

4. Does the entity provide transition assistance programs to facilitate continued employability and the management of career endings resulting from retirement or termination of employment?

5. Details on assessment of value chain partners.

|                             | % of value chain partners (by value of business done with such partners) that were assessed |
|-----------------------------|---------------------------------------------------------------------------------------------|
| Health and safety practices | -                                                                                           |
| Working Conditions          | -                                                                                           |

6. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from assessments of health and safety practices and working conditions of value chain partners.





**Principle 4:** Businesses should respect the interests of and be responsive to all its stakeholders



## Essential Indicators



### 1. Describe the processes for identifying key stakeholder groups of the entity.

Pace Digitek follows a structured and inclusive approach to stakeholder identification and engagement. Stakeholders are identified based on their level of influence, dependence and potential impact on or by the Company's operations, products, services and value chain. This process includes internal assessments, consultations with key departments and feedback mechanisms to ensure that all relevant stakeholder groups—such as employees, contractors, suppliers, customers, investors, local communities, regulators, etc. are appropriately recognised.

The Company ensures that these stakeholders are engaged through transparent and continuous dialogue to understand their expectations and incorporate their inputs into decision-making processes, thereby strengthening trust and driving sustainable value creation.

### 2. List stakeholder groups identified as key for your entity and the frequency of engagement with each stakeholder group.

| Stakeholder Group        | Whether identified as Vulnerable & Marginalised Group | Channels of communication   | Details of Other Channels of communication | Frequency of engagement  | Details of Other Frequency of engagement | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                               |
|--------------------------|-------------------------------------------------------|-----------------------------|--------------------------------------------|--------------------------|------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Shareholder and Investor | No                                                    | E-mail                      | –                                          | Quarterly and need basis | –                                        | To inform about the performance, major developments and other relevant updates regarding the Company                                                          |
| Customer                 | No                                                    | Website, Phone calls, Email | –                                          | Others                   | Need basis                               | Assessment of product/ service quality and development<br>Addressing grievances and concerns<br>Providing assurance and solutions<br>Feedback and suggestions |

| Stakeholder Group         | Whether identified as Vulnerable & Marginalised Group | Channels of communication | Details of Other Channels of communication | Frequency of engagement | Details of Other Frequency of engagement | Purpose and scope of engagement including key topics and concerns raised during such engagement                                                                                                                                    |
|---------------------------|-------------------------------------------------------|---------------------------|--------------------------------------------|-------------------------|------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Government and Regulators | No                                                    | E-mail                    | -                                          | Others                  | Need basis                               | To adhere to the guidelines issues by the regulator and take feedback on questions, if any<br><br>Provide opinion on draft policies rolled out before getting implemented                                                          |
| Employees                 | No                                                    | E-mail                    | -                                          | Others                  | Need basis                               | To record and address employee grievances that may arise as a result of our operations<br><br>To collect inputs, feedback, and communicate regarding implemented policies and other relevant initiatives related to our operations |
| Value Chain partners      | No                                                    | SMS                       | -                                          | Others                  | Need basis                               | To communicate and update regarding key changes related to our business operations and to communicate or inform contractual requirements.                                                                                          |
| Community                 | Yes                                                   | Newspaper                 | -                                          | Others                  | Need basis                               | To promote social welfare activities for inclusive growth, fair and equitable development, and well-being of society through our business functioning.                                                                             |

## Leadership Indicators

### 1. Provide the processes for consultation between stakeholders and the Board on economic, environmental, and social topics or if consultation is delegated, how is feedback from such consultations provided to the Board.

The Company engages with its key stakeholder groups – employees, customers, value chain partners, investors and shareholders, communities, and regulators – through a combination of structured and ongoing engagement channels (as detailed in the stakeholder engagement table above). Stakeholder feedback on economic, environmental and social topics is collated by the respective functional heads (HR, Operations, Investor Relations, Compliance and Project teams) and is escalated to senior management. Material themes and concerns are placed before the Board of Directors, including through the ESG / CSR Committee, on a periodic basis, enabling the Board to take stakeholder perspectives into account in its decision-making.

2. Whether stakeholder consultation is used to support the identification and management of environmental and social topics?
3. Provide details of instances of engagement with and actions taken to address the concerns of vulnerable /marginalised stakeholder groups.

The Company identifies local communities in and around its project locations as a stakeholder group that may include vulnerable or marginalised members. Engagement with such communities is undertaken through the Company's project site teams, CSR initiatives and grievance redressal channels, and feedback received is used to inform site-level mitigation actions and CSR programming. The Company is in the process of strengthening structured engagement and impact-tracking with vulnerable and marginalised stakeholder groups as part of the broader rollout of its ESG framework.



### Principle 5: Businesses should respect and promote Human Rights



#### Essential Indicators

1. Employees and workers who have been provided training on human rights issues and policy (ies) of the entity

##### i. Employees

| Category                       | FY 2025-2026 |                              |             |
|--------------------------------|--------------|------------------------------|-------------|
|                                | Total (A)    | No. of employees covered (B) | % (B / A)   |
| Permanent Employees            | 1,867        | 1,867                        | 100%        |
| Other than permanent Employees | 866          | 866                          | 100%        |
| <b>Total Employees</b>         | <b>2,733</b> | <b>2,733</b>                 | <b>100%</b> |

2. Details of minimum wages paid to employees and workers

| Category             | FY 2025-2026 |                       |         |                        |         |
|----------------------|--------------|-----------------------|---------|------------------------|---------|
|                      | Total (A)    | Equal to minimum wage |         | More than minimum wage |         |
|                      |              | No. (B)               | % (B/A) | No. (C)                | % (C/A) |
|                      | Employees    |                       |         |                        |         |
| Permanent            | 1867         | 0                     | 0%      | 1867                   | 100%    |
| Other than permanent | 866          | 0                     | 0%      | 866                    | 100%    |

3. Details of remuneration/salary/wages

##### i. Median remuneration / wages:

|                                  | Male   |                                           | Female |                                           |
|----------------------------------|--------|-------------------------------------------|--------|-------------------------------------------|
|                                  | Number | Median remuneration/ salary/ wages (in ₹) | Number | Median remuneration/ salary/ wages (in ₹) |
| Board of Directors (BoD)         | 5      | 9,944,208                                 | 1      | 11,892,594                                |
| Key Managerial Personnel         | 1      |                                           | 1      |                                           |
| Employees other than BoD and KMP | 1,776  | 289,272                                   | 91     | 312,000                                   |



## ii. Gross wages paid to females

|                                                 | FY 2025-2026 | FY 2024-2025 |
|-------------------------------------------------|--------------|--------------|
| Gross wages paid to females as % of total wages | 7.4%         | 8.3%         |

### 4. Do you have a focal point (Individual/ Committee) responsible for addressing human rights impacts or issues caused or contributed to by the business?

Yes. Under the Company's Human Rights Policy, day-to-day responsibility for addressing human rights impacts rests with the Human Resources, Compliance and Business Head functions, with overall implementation overseen by senior management. The Board of Directors, through the ESG / CSR Committee, provides oversight of human rights matters and periodically reviews key risks and mitigation actions.

### 5. Describe the internal mechanisms in place to redress grievances related to human rights issues.

The Company maintains accessible grievance redressal mechanisms under its Human Rights Policy and allied policies (including the Whistle Blower / Vigil Mechanism) to enable employees, workers, contractors and external stakeholders to raise concerns relating to human rights, including discrimination and harassment, forced or child labour, working conditions, freedom of association, community impacts and data privacy. Grievances may be reported through designated reporting channels, including whistleblower channels, and are handled in a fair, transparent and time-bound manner, with defined escalation protocols and appropriate remediation measures. The Company is committed to maintaining the confidentiality of complainants and to ensuring protection against retaliation for individuals reporting concerns in good faith. Statutory mechanisms, including the Internal Committee constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, operate alongside this framework. Outcomes and trends are periodically reviewed by senior management and reported to the Board of Directors through the ESG / CSR Committee.

### 6. Number of Complaints on the following made by employees and workers

| Particulars                       | FY 2025-2026          |                                       |         |
|-----------------------------------|-----------------------|---------------------------------------|---------|
|                                   | Filed during the year | Pending resolution at the end of year | Remarks |
| Sexual Harassment                 | 0                     | 0                                     | -       |
| Discrimination at workplace       | 0                     | 0                                     | -       |
| Child Labour                      | 0                     | 0                                     | -       |
| Forced Labour/ Involuntary Labour | 0                     | 0                                     | -       |
| Wages                             | 0                     | 0                                     | -       |
| Other human rights related issues | 0                     | 0                                     | -       |

### 7. Complaints filed under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, in the following format:

|                                                                                                                                     | FY 2025-2026 | FY 2024-2025 |
|-------------------------------------------------------------------------------------------------------------------------------------|--------------|--------------|
| Total Complaints reported under Sexual Harassment on of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (POSH) | 0            | 0            |
| Complaints on POSH as a % of female employees / workers                                                                             | 0            | 0            |
| Complaints on POSH upheld                                                                                                           | 0            | 0            |

### 8. Mechanisms to prevent adverse consequences to the complainant in discrimination and harassment cases.

### 9. Do human rights requirements form part of your business agreements and contracts?

Yes

**10. Assessment for the year**

|                                  | % of your plants and offices that were assessed (by entity or statutory authorities or third parties) |
|----------------------------------|-------------------------------------------------------------------------------------------------------|
| Sexual Harassment                | Nil                                                                                                   |
| Discrimination at workplace      |                                                                                                       |
| Child Labour                     |                                                                                                       |
| Forced Labour/Involuntary Labour |                                                                                                       |
| Wages                            |                                                                                                       |

**11. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 10 above.**

Not Applicable

**Leadership Indicators**

- Details of a business process being modified / introduced as a result of addressing human rights grievances/complaints.
- Details of the scope and coverage of any Human rights due-diligence conducted.
- Is the premise/office of the entity accessible to differently abled visitors, as per the requirements of the Rights of Persons with Disabilities Act, 2016?
- Details on assessment of value chain partners

|                                  | % of value chain partners (by value of business done with such partners) that were assessed |
|----------------------------------|---------------------------------------------------------------------------------------------|
| Sexual Harassment                | Not Applicable                                                                              |
| Discrimination at workplace      |                                                                                             |
| Child Labour                     |                                                                                             |
| Forced Labour/Involuntary Labour |                                                                                             |
| Wages                            |                                                                                             |

**5. Provide details of any corrective actions taken or underway to address significant risks / concerns arising from the assessments at Question 4 above.**

Not Applicable



**Principle 6:** Businesses should respect and make efforts to protect and restore the environment

**Essential Indicators****1. Details of total energy consumption (in giga Joules) and energy intensity:**

| Parameter                                                           | FY 2025-2026 |
|---------------------------------------------------------------------|--------------|
| <b>From Renewable Sources:</b>                                      |              |
| Total electricity consumption (in GJ) <b>(A)</b>                    | 0            |
| Total fuel consumption (in GJ) <b>(B)</b>                           | 0            |
| Energy consumption through other sources (in GJ) <b>(C)</b>         | 0            |
| Total Energy Consumed from Renewable Sources (in GJ) <b>(A+B+C)</b> | 0            |

| Parameter                                                                                          | FY 2025-2026   |
|----------------------------------------------------------------------------------------------------|----------------|
| <b>From Non-Renewable Sources:</b>                                                                 |                |
| Total electricity consumption (in GJ) (D)                                                          | 3,563.1        |
| Total fuel consumption (in GJ) (E)                                                                 | 0.4            |
| Energy consumption through other sources (in GJ) (F)                                               | 0              |
| Total Energy Consumed from Non-Renewable Sources (in GJ) (D+E+F)                                   | 3,563.5        |
| <b>Total Energy Consumed (in GJ) (A+B+C+D+E+F)</b>                                                 | <b>3,563.5</b> |
| Energy intensity per rupee of turnover (Total energy consumption / turnover in rupees) (GJ/Rs. Cr) | 1.3            |
| Energy intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP)* (GJ/USD Cr)     | 27.4           |

- i. **Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency? If yes, name of the external agency**

No

2. **Does the entity have any sites / facilities identified as designated consumers (DCs) under the Performance, Achieve and Trade (PAT) Scheme of the Government of India?**

Not Applicable

3. **Water related information.**

- i. **Provide details of the following disclosures related to water (Water withdrawal by source (in kilolitres))**

| Parameter                                                                                                                                                                | FY 2025-2026   |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------|
| Surface water (A)                                                                                                                                                        | 0              |
| Groundwater (B)                                                                                                                                                          | 39.0           |
| Third party water (C)                                                                                                                                                    | 3,424.7        |
| Seawater / desalinated water (D)                                                                                                                                         | 0              |
| Others (E)                                                                                                                                                               | 0              |
| <b>Total volume of water withdrawal (in kilolitres) (A + B + C + D + E)</b>                                                                                              | <b>3,463.8</b> |
| <b>Total volume of water consumption (in kilolitres)</b>                                                                                                                 | <b>3,463.8</b> |
| <b>Water intensity per rupee of turnover (Total water consumption / Revenue from operations) (kl/Rs. Cr)</b>                                                             | <b>1.3</b>     |
| <b>Water intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total water consumption / Revenue from operations adjusted for PPP) (kl/USD Cr)</b> | <b>26.7</b>    |

- ii. **Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

No

#### 4. Provide the following details related to water discharged.

##### i. Water discharge by destination and level of treatment (in kilolitres)

| Parameter                                     | FY 2025-2026       |       |
|-----------------------------------------------|--------------------|-------|
|                                               | Level of treatment | Value |
| To Surface water (A)                          |                    |       |
| - Surface water with no treatment             |                    |       |
| - Surface water with treatment                |                    |       |
| To Groundwater (B)                            |                    |       |
| - Groundwater with no treatment               |                    |       |
| - Groundwater with treatment                  |                    |       |
| To Seawater (C)                               |                    |       |
| - Seawater with no treatment                  |                    |       |
| - Seawater with treatment                     |                    |       |
| Sent to third-parties (D)                     |                    |       |
| - Sent to third-parties with no treatment     |                    |       |
| - Sent to third-parties with treatment        |                    |       |
| Others (E)                                    |                    |       |
| - Others with no treatment                    |                    |       |
| - Others with treatment                       |                    |       |
| <b>Total water discharged (in kilolitres)</b> |                    |       |

Not Applicable

##### ii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

Disclosure Not Available

#### 5. Has the entity implemented a mechanism for Zero Liquid Discharge?

Yes, there are water treatment plants present in the manufacturing sites which help in maintaining a zero liquid discharge across the facilities.

#### 6. Air emissions

##### i. Whether air emissions (other than GHG emissions) by the entity is applicable to the company?

Disclosure Not Available

##### ii. Please provide details of air emissions (other than GHG emissions) by the entity.

| Parameter                           | Unit | FY 2025-2026 |
|-------------------------------------|------|--------------|
| Nox                                 |      |              |
| Sox                                 |      |              |
| Particulate matter (PM)             |      |              |
| Persistent organic pollutants (POP) |      |              |
| Volatile organic compounds (VOC)    |      |              |
| Hazardous air Pollutants (HAP)      |      |              |

Not applicable

##### iii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

#### 7. Greenhouse gas emissions.

##### i. Whether greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity is applicable to the company?

Yes



## ii. Provide details of greenhouse gas emissions (Scope 1 and Scope 2 emissions) & its intensity

| Parameter                                                                                                                                                                                                 | Unit                        | FY 2025-2026 |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------|--------------|
| Total Scope 1 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , N <sub>2</sub> O, HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                                     | tCO <sub>2</sub> e          | 9.8          |
| Total scope 2 emissions (Break-up of the GHG into CO <sub>2</sub> , CH <sub>4</sub> , HFCs, PFCs, SF <sub>6</sub> , NF <sub>3</sub> , if available)                                                       | tCO <sub>2</sub> e          | 702.7        |
| <b>Total Scope 1 and Scope 2 emissions per rupee of turnover (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations)</b>                                                                      | tCO <sub>2</sub> e / ₹ Cr   | <b>0.3</b>   |
| <b>Total Scope 1 and Scope 2 emission intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total Scope 1 and Scope 2 GHG emissions / Revenue from operations adjusted for PPP)</b> | tCO <sub>2</sub> e / USD Cr | <b>5.5</b>   |

## iii. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?

No

## 8. Does the entity have any project related to reducing Green House Gas emission?

Under its ESG Policy, the Company is committed to improving energy efficiency across its telecom and energy infrastructure solutions and to promoting sustainable design and execution practices across its manufacturing and EPC operations. While the Company does not at present operate a dedicated greenhouse-gas-reduction project of its own, its core business itself contributes to GHG reduction in the wider economy through the execution and deployment of renewable energy solutions, battery energy storage systems and energy-efficient telecom power infrastructure for its customers. The Company is in the process of strengthening internal systems and data processes to support future measurement and disclosure of its own GHG performance.

## 9. Provide details related to waste management by the entity

### i. Total Waste generated (in metric tonnes)

| Parameter                                                                                                                                                  | FY 2025-2026                                                                                                                                                                                                                                                         |
|------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Plastic waste (A)                                                                                                                                          | The Company is in the process of establishing systems to monitor and measure the waste generated across its operations. Quantitative waste data will be disclosed in subsequent reporting years, once these measurement and reporting systems are fully operational. |
| E-waste (B)                                                                                                                                                |                                                                                                                                                                                                                                                                      |
| Bio-medical waste (C)                                                                                                                                      |                                                                                                                                                                                                                                                                      |
| Construction and demolition waste (D)                                                                                                                      |                                                                                                                                                                                                                                                                      |
| Battery waste (E)                                                                                                                                          |                                                                                                                                                                                                                                                                      |
| Radioactive waste (F)                                                                                                                                      |                                                                                                                                                                                                                                                                      |
| Other Hazardous waste (G)                                                                                                                                  |                                                                                                                                                                                                                                                                      |
| Other Non-hazardous waste generated (H)                                                                                                                    |                                                                                                                                                                                                                                                                      |
| <b>Total (A + B + C + D + E + F + G + H)</b>                                                                                                               |                                                                                                                                                                                                                                                                      |
| <b>Waste intensity per rupee of turnover (Total waste generated / Revenue from operations)</b>                                                             |                                                                                                                                                                                                                                                                      |
| <b>Waste intensity per rupee of turnover adjusted for Purchasing Power Parity (PPP) (Total waste generated / Revenue from operations adjusted for PPP)</b> |                                                                                                                                                                                                                                                                      |
| Waste intensity in terms of physical output                                                                                                                |                                                                                                                                                                                                                                                                      |
| Waste intensity (optional) - the relevant metric may be selected by the entity                                                                             |                                                                                                                                                                                                                                                                      |

**ii. For each category of waste generated, total waste recovered through recycling, re-using or other recovery operations (in metric tonnes)**

| Category of waste         | FY 2025-2026 |
|---------------------------|--------------|
| Recycled                  | -            |
| Re-used                   | -            |
| Other recovery operations | -            |
| <b>Total</b>              | -            |

**iii. For each category of waste generated, total waste disposed by nature of disposal method (in metric tonnes)**

| Category of waste         | FY 2025-2026 |
|---------------------------|--------------|
| Incineration              | -            |
| Landfilling               | -            |
| Other disposal operations | -            |
| <b>Total</b>              | -            |

**iv. Indicate if any independent assessment/ evaluation/assurance has been carried out by an external agency?**

No

**10. Briefly describe the waste management practices adopted in your establishments. Describe the strategy adopted by your company to reduce usage of hazardous and toxic chemicals in your products and processes and the practices adopted to manage such wastes.**

The Company's approach to waste management is guided by its ESG Policy commitment to minimising waste generation and promoting the responsible use of natural resources, and is implemented through site-level practices at its manufacturing facilities and EPC project sites. Waste streams are segregated at source where feasible, and disposal of hazardous and electronic waste (including e-waste, batteries and project residuals) is routed through authorised handlers and recyclers in compliance with the E-Waste (Management) Rules, the Battery Waste Management Rules and the Hazardous and Other Wastes (Management and Transboundary Movement) Rules, to the extent applicable. The Company seeks to minimise the use of hazardous and toxic substances in its operations through preference for cleaner technologies and energy-efficient designs in its products and services, and is in the process of further strengthening its waste monitoring and reporting systems.

**11. If the entity has operations/offices in/around ecologically sensitive areas (such as national parks, wildlife sanctuaries, biosphere reserves, wetlands, biodiversity hotspots, forests, coastal regulation zones etc.) where environmental approvals / clearances are required.**

| Location of operations/offices | Type of operations | Whether the conditions of environmental approval / clearance are being complied with? If no, the reasons thereof and corrective action taken, if any. | if no, the reasons thereof and corrective action taken, if any. |
|--------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|
|--------------------------------|--------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------|

Not Applicable

**12. Details of environmental impact assessments of projects undertaken by the entity based on applicable laws, in the current financial year**

| Name and Brief of the project | EIA Notification no | Date | Whether conducted by independent external agency? | Results communicated in public domain? | Relevant web link |
|-------------------------------|---------------------|------|---------------------------------------------------|----------------------------------------|-------------------|
|-------------------------------|---------------------|------|---------------------------------------------------|----------------------------------------|-------------------|

Not Applicable

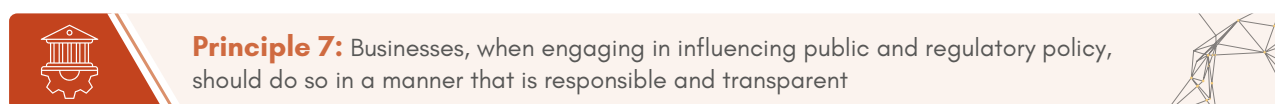
### 13. Applicable environmental law/ regulations/ guidelines in India.

- i. Is the entity compliant with the applicable environmental law/ regulations/ guidelines in India; such as the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment protection act and rules thereunder.

Yes, we are compliant with all the applicable environmental law/ regulations/ guidelines in India

- ii. If not, provide details of all such non-compliances

| Specify the law / regulation / guidelines which was not complied with | Provide details of non-compliance | Any fines / penalties / action taken by regulatory agencies such as pollution control boards or by courts | Corrective action taken, if any |
|-----------------------------------------------------------------------|-----------------------------------|-----------------------------------------------------------------------------------------------------------|---------------------------------|
| -                                                                     | -                                 | -                                                                                                         | -                               |



### Essential Indicators

#### 1. Trade and industry chambers / associations

- i. Number of affiliations with trade and industry chambers / associations
- ii. List the top 10 trade and industry chambers/ associations (determined based on the total members of such body) the entity is a member of/ affiliated to.

| Sr No. | Name of the trade and industry chambers/ associations | Reach of trade and industry chambers/ associations |
|--------|-------------------------------------------------------|----------------------------------------------------|
| 1      | Yes                                                   |                                                    |

#### 2. Provide details of corrective action taken or underway on any issues related to Anti-competitive conduct by the entity, based on adverse orders from regulatory authorities.

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Nil               | Nil               | Nil                     |

### Leadership Indicators

#### 1. Details of public policy positions advocated by the entity.

| Public policy advocated | Method resorted for such advocacy | Frequency of Review by Board | Whether information available in public domain? | Web Link, if available |
|-------------------------|-----------------------------------|------------------------------|-------------------------------------------------|------------------------|
| Nil                     | Nil                               | Nil                          | Nil                                             | Nil                    |



**Principle 8:** Businesses should promote inclusive growth and equitable development



## Essential Indicators



1. Details of Social Impact Assessments (SIA) of projects undertaken by the Company based on applicable laws, in the current financial year.

| Name and brief details of the project | SIA notification no. | Date of notification | Whether conducted by independent external agency | Results communicated in public domain | Relevant Web link |
|---------------------------------------|----------------------|----------------------|--------------------------------------------------|---------------------------------------|-------------------|
|---------------------------------------|----------------------|----------------------|--------------------------------------------------|---------------------------------------|-------------------|

Not Applicable

2. Provide information on project(s) for which ongoing Rehabilitation and Resettlement (R&R) is being undertaken by your entity

| Name of Project for which R&R is ongoing | State | District | No. of Project Affected Families (PAF) | % of PAFs covered by R&R | Amounts paid to PAFs in the FY (in ₹) |
|------------------------------------------|-------|----------|----------------------------------------|--------------------------|---------------------------------------|
|------------------------------------------|-------|----------|----------------------------------------|--------------------------|---------------------------------------|

Not Applicable

3. Describe the mechanisms to receive and redress grievances of the community.

The Company receives and addresses community grievances through its project site management, CSR and HR functions, which act as the primary points of contact for communities in and around the Company's project locations. Concerns can also be reported through the Company's Whistle Blower / Vigil Mechanism, which is accessible to external stakeholders. Grievances are reviewed in a fair, transparent and time-bound manner, with confidentiality maintained for complainants and protection against retaliation for good-faith reporting. Significant community concerns are escalated to senior management and reviewed by the Board through the ESG / CSR Committee.

4. Percentage of input material (inputs to total inputs by value) sourced from suppliers.

|                                                                      | FY 2025-2026 |
|----------------------------------------------------------------------|--------------|
| Directly sourced from MSMEs/ small producers                         | -            |
| Sourced directly from within the district and neighbouring districts | -            |

5. Job creation in smaller towns - Disclose wages paid to persons employed (including employees or workers employed on a permanent or non-permanent / on contract basis) in the following locations, as % of total wage cost

|              | FY 2025-2026 | FY 2024-2025 |
|--------------|--------------|--------------|
| Rural        | 0.7%         | 1.3%         |
| Semi Urban   | 10.2%        | 7.5%         |
| Urban        | 16.3%        | 13.2%        |
| Metropolitan | 72.8%        | 78.0%        |

## Leadership Indicators



1. Provide details of actions taken to mitigate any negative social impacts identified in the Social Impact Assessments. (Reference: Question 1 of Essential Indicators above)

| Details of negative social impact identified | Corrective action taken |
|----------------------------------------------|-------------------------|
|----------------------------------------------|-------------------------|

Not Applicable



**2. Provide the following information on CSR projects undertaken by your entity in designated aspirational districts as identified by government bodies.**

| State          | Aspirational District | Amount spent (in ₹) |
|----------------|-----------------------|---------------------|
| Not Applicable |                       |                     |

**3. Preferential procurement policy.**

- Do you have a preferential procurement policy where you give preference to purchase from suppliers comprising marginalized /vulnerable groups?**
- From which marginalized /vulnerable groups do you procure?**
- What percentage of total procurement (by value) does it constitute?**

The Company does not at present have a formal preferential procurement policy directing procurement towards suppliers comprising marginalised or vulnerable groups. Under its ESG Policy, the Company is committed to promoting ethical and responsible procurement practices across its supply chain. The Company will continue to review its procurement framework as it strengthens its broader ESG and supply chain management systems.

**4. Details of the benefits derived and shared from the intellectual properties owned or acquired by your entity (in the current financial year), based on traditional knowledge.**

| Intellectual Property based on traditional knowledge | Owned/ Acquired | Benefit shared | Basis of calculating benefit share |
|------------------------------------------------------|-----------------|----------------|------------------------------------|
| Not Applicable                                       |                 |                |                                    |

**5. Details of corrective actions taken or underway, based on any adverse order in intellectual property related disputes wherein usage of traditional knowledge is involved.**

| Name of authority | Brief of the Case | Corrective action taken |
|-------------------|-------------------|-------------------------|
| Not Applicable    |                   |                         |

**6. Details of beneficiaries of CSR Projects.**

| CSR Project                                                                                                                                                                                                                                                                         | No. of persons benefitted from CSR Projects | % of beneficiaries from vulnerable and marginalized groups |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------|------------------------------------------------------------|
| Redevelopment of Government Primary School, Doddabasti – construction of three new classrooms with compound wall, PCC playground, seating and podium; provision of classroom furniture; and distribution of plates, tumblers and plate stands. Implemented through PACE Foundation. | 100+                                        | 100%                                                       |
| Redevelopment of Government Higher Primary School, Ramohalli – construction of four new classrooms with compound-wall enhancement, PCC playground and seating; and provision of classroom furniture. Implemented through PACE Foundation.                                           | 100+                                        | 100%                                                       |
| Distribution of 50 wheelchairs to persons with disabilities, in association with Pragathi Charitable Trust. Implemented through PACE Foundation.                                                                                                                                    | 50                                          | 100%                                                       |



**Principle 9:** Businesses should engage with and provide value to their consumers in a responsible manner.



## Essential Indicators

### 1. Describe the mechanisms in place to receive and respond to consumer complaints and feedback.

The Company operates a B2B project-based business model, serving telecom operators, utilities and government / institutional customers through long-form contracts. Customer complaints and feedback are received and addressed primarily through dedicated project and account management teams, supported by formal contract-level escalation mechanisms (including project review meetings, defect / warranty reporting channels and contractually-defined service level processes). The Company also provides accessible communication channels including email, telephone and the website ([www.pacedigitek.com](http://www.pacedigitek.com)), and the Privacy Policy hosted on the website sets out the framework for handling data privacy related concerns. Complaints are reviewed and resolved by the responsible business teams, with significant or recurring issues escalated to senior management for corrective action.

### 2. Turnover of products and / services as a percentage of turnover from all products/service that carry information about

|                                                             | Percentage to total turnover |
|-------------------------------------------------------------|------------------------------|
| Environmental and social parameters relevant to the product | Not Applicable               |
| Safe and responsible usage                                  | Not Applicable               |
| Recycling and/or safe disposal                              | Not Applicable               |

### 3. Number of consumer complaints in respect of the following:

| Particulars                    | FY 2025-2026             |                                   |         |
|--------------------------------|--------------------------|-----------------------------------|---------|
|                                | Received during the year | Pending resolution at end of year | Remarks |
| Data privacy                   | -                        | -                                 | -       |
| Advertising                    | -                        | -                                 | -       |
| Cyber-security                 | -                        | -                                 | -       |
| Delivery of essential services | -                        | -                                 | -       |
| Restrictive Trade Practices    | -                        | -                                 | -       |
| Unfair Trade Practices         | -                        | -                                 | -       |
| Other                          | -                        | -                                 | -       |

### 4. Details of instances of product recalls on account of safety issues.

|                   | Number | Reasons for recall |
|-------------------|--------|--------------------|
| Voluntary recalls |        |                    |
| Forced recalls    |        |                    |

### 5. Does the entity have a framework/ policy on cyber security and risks related to data privacy?

Yes. The Company has a Privacy Policy, published on its website at [www.pacedigitek.com/privacy-policy](http://www.pacedigitek.com/privacy-policy), which sets out the basis on which personal data is collected, processed, stored and used by the Company, including data collected through its website, mobile applications and business interactions. The Privacy Policy is read together with the Company's Terms of Use and is designed to operate in alignment with applicable Indian data protection laws, including the Digital Personal Data Protection Act, 2023. The Company supplements the Privacy Policy with internal practices on access controls, acceptable use of IT systems, protection of confidential information and incident handling, and is in the process of further formalising its information security framework. Compliance is overseen by management, with periodic review.

6. Provide details of any corrective actions taken or underway on issues relating to advertising, and delivery of essential services; cyber security and data privacy of customers; re-occurrence of instances of product recalls; penalty / action taken by regulatory authorities on safety of products / services.

Not Applicable

7. Provide the following information relating to data breaches

|                                                                                            |                |
|--------------------------------------------------------------------------------------------|----------------|
| i. Number of instances of data breaches along-with impact                                  | 0              |
| ii. Percentage of data breaches involving personally identifiable information of customers | 0              |
| iii. Impact, if any, of the data breaches                                                  | Not Applicable |

## Leadership Indicators

1. Channels / platforms where information on products and services of the entity can be accessed (provide web link, if available).

Information on the Company's products and services can be accessed on its corporate website, [www.pacedigitek.com](http://www.pacedigitek.com). Given its B2B, project-based model, the Company also shares detailed product and service information directly with customers through its project and account management teams and through contract documentation. As a company listed on the BSE and NSE, it additionally makes information available to stakeholders through the stock exchange platforms and its investor relations disclosures.

## Annexure - 6

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AND RESEARCH AND DEVELOPMENT

#### A. Conservation of Energy

| Particulars                                                                   | Explanations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                   |
|-------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) the steps taken or impact on conservation of energy                       | During FY 2025-26, the Company remained committed to the efficient use of energy across its manufacturing facilities, EPC operations and telecom infrastructure. Total energy consumption for the year stood at 3,563.5 GJ, comprising 3,563.1 GJ of purchased electricity and 0.4 GJ of fuel, with an energy intensity of 1.3 GJ per ₹ crore of turnover (27.4 GJ/USD crore on a PPP-adjusted basis). Under its ESG Policy, the Company continued to improve energy efficiency at its manufacturing sites, monitor emission intensity and pursue the solarisation of telecom sites to reduce grid dependence. |
| (ii) the steps taken by the company for utilizing alternate sources of energy | The Company is progressively increasing the share of renewable (solar) power in its operations and, through its core business, actively enables the wider energy transition — deploying renewable energy solutions, battery energy storage systems (BESS) and energy-efficient telecom power infrastructure for its customers. The Company is not a designated consumer under the PAT scheme of the Government of India.                                                                                                                                                                                       |
| (iii) the capital investment on energy conservation equipment's               | Nil                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |

#### B. Technology Absorption

| Particulars                                                                                                    | Explanations                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                    |
|----------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| (i) the efforts made towards technology absorption                                                             | During the year under review, your Company continued to build on its indigenous manufacturing capabilities, with technology development remaining central to its growth strategy. The Company has successfully extended the technology used in the manufacture of lithium-ion battery racks to the production of Battery Energy Storage Systems (BESS). This represents a meaningful step towards import substitution, reducing dependence on imported energy-storage solutions and supporting the broader objective of self-reliant, indigenous manufacturing. |
| (ii) the benefits derived like product improvement, cost reduction, product development or import substitution | The benefits derived from this technology absorption include the broadening of the Company's product portfolio, enhanced product-development capability, and the ability to address the growing demand for reliable energy-storage solutions across domestic and export markets. By adapting a proven, in-house technology base to a new product line, the Company has been able to achieve development efficiencies while strengthening its competitive position.                                                                                              |



|       |                                                                                                                                                                                                                                                                                                                                                                        |     |
|-------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----|
| (iii) | in case of imported technology<br>(imported during the last three years<br>reckoned from the beginning of the<br>financial year):<br>(a) the details of technology imported;<br>(b) the year of import;<br>(c) whether the technology been fully<br>absorbed;<br>(d) if not fully absorbed, areas where<br>absorption has not taken place,<br>and the reasons thereof; | Nil |
| (iv)  | the expenditure incurred on Research<br>and Development                                                                                                                                                                                                                                                                                                                | Nil |

**For and on behalf of the Board of Directors of Pace Digitek Limited**

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

|                                  |                                   |                                   |
|----------------------------------|-----------------------------------|-----------------------------------|
|                                  | Sd/-                              | Sd/-                              |
| Name                             | : <b>Venugopalrao Maddisetty</b>  | <b>Padma Venugopal Maddisetty</b> |
| Designation                      | : Chairman & Managing<br>Director | Whole-time Director               |
| DIN/<br>Membership<br>Number/PAN | : 02070491                        | 02070662                          |
| Date                             | : May 25, 2026                    | May 25, 2026                      |
| Place                            | : Bengaluru                       | Bengaluru                         |

## Annexure - 7

### FORM NO. MR-3

#### SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31.03.2026

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014 and Regulation 24A of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
PACE DIGITEK LIMITED  
CIN:L31909KA2007PLC041949  
Plot # V 12, Industrial Estate, Kumbalgodu,  
Bengaluru Mysore Highway, Bengaluru,  
Karnataka, India, 560074

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. PACE DIGITEK LIMITED (hereinafter called "the Company") bearing CIN: L31909KA2007PLC041949. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31.03.2026, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2026 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.
  - (c) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018.
  - (e) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021. - **(Not Applicable to the Company during the Audit Period)**
  - (f) Securities and Exchange Board of India (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008. - **(Not Applicable to the Company during the Audit Period)**
  - (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**.
  - (i) The Securities and Exchange Board of India (Buy-back of Securities) Regulations, 2018; **(Not Applicable to the Company during the Audit Period)**.
  - (j) The Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018;
  - (k) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not Applicable to the Company during the Audit Period)**.
  - (l) The management of the Company has confirmed that, during the period under review, there is

no specific law applicable exclusively to the Company, other than those generally applicable to companies of a similar nature of business.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India
- ii. The Listing Agreements entered into by the Company with BSE Limited (BSE) and National Stock Exchange of India Limited (NSE).

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

**I further report that** the compliance by the Company of applicable financial laws such as direct and indirect tax laws and maintenance of financial records and books of accounts have not been reviewed in this audit since the same have been subject to review by the statutory financial auditors, tax auditors, and other designated professionals.

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors and in compliance with the provisions of the Act. There are no changes took place in the composition of the Board of Directors during the period under review

Further, adequate notices have been given to all the directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and consent to shorter notice has been taken, wherever required.

All decisions at the Board Meetings and Committee Meetings are carried out with the requisite majority of the Directors of the Company.

**I further report that** there are adequate systems and processes in the company, commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period the company has the following events / actions having a major bearing on the company's affairs in pursuance of the above-mentioned laws, rules, regulations, guidelines, standards, etc. referred to above.

- 1) During the period under review, the Company has pledged 1,42,29,162 Equity shares held in Pace

Renewable Energies Private Limited (Subsidiary Company) in favor of Indian Renewable Energy Development Agency Limited (IREDA Limited) to avail term loan by the Subsidiary Company.

- 2) During the period under review, the Company has filed Red Herring Prospectus on September 19, 2025 and Prospectus on September 30, 2025 for a fresh issue of shares through Initial Public Offering having issue size of Rs. 8,191.48 millions.
- 3) During the period under review, the Company has allotted the following securities pursuant to initial public offer on October 01, 2025:
  - a) 3,73,53,967 Equity shares having face value of Rs.2/- each are allotted at issue price of Rs.219/- each to the respective applicants in various categories to as mentioned herein below aggregating to Rs. 818,05,18,773/-
    - i. 1,11,93,807 Equity Shares to anchor investors;
    - ii. 74,83,175 Equity Shares to qualified institutional bidders (except anchor investors);
    - iii. 56,03,096 Equity Shares to non-institutional investors;
    - iv. 1,30,73,889 Equity Shares to retail individual investors, and
  - b) 55,080 Equity shares having face value of Rs.2/- each are allotted at issue price of Rs.199/- each to eligible employees under employee reservation portions aggregating to Rs. 1,09,60,920/-
- 4) The Company has listed its securities in the Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) on October 06, 2025.
- 5) The Company has passed the following resolutions at the Annual General Meeting held on September 23, 2025:
  - a) An ordinary resolution was passed to consider and ratify the remuneration payable to M/s Kamalakara & co., Cost Accountants, Bengaluru (Firm Registration Number: 000296), Cost Auditors of the Company, for the financial year ending March 31, 2026.
  - b) An ordinary resolution was passed to approve material related party transactions with Pace Power Systems

- c) An ordinary resolution was passed to approve material related party transactions with Lineage Power Private Limited.
- d) An ordinary resolution was passed to approve material related party transactions with Lanarsy Infra Limited.
- e) An ordinary resolution was passed to approve material related party transactions with Pace Renewable Energies Private Limited.

- f) An ordinary resolution was passed to approve material related party transactions with Inso Pace Private Limited.

**I further report that the following are my observations:**

- 1) Upon review of the Company's statutory registers and records, it was observed that certain ROC forms were not filed within the prescribed timelines. However, the Company has subsequently filed the forms with payment of the applicable additional fees.

Sd/-

Name: **Pramod S.**

**Company Secretary in Practice**

Membership Number: A36020 COP: 13335

Place: Bengaluru

Date: May 25, 2026

UDIN: A036020H000476121

Peer Review Certificate no. 1491/2021

**Note:** This report is to be read with "Annexure A" which forms an integral part of this report.



## Annexure A

To,  
The Members,  
PACE DIGITEK LIMITED  
Plot # V 12, Industrial Estate, Kumbalgodu,  
Bengaluru Mysore Highway, Bengaluru,  
Karnataka, India, 560074

My Secretarial Audit Report of report date, for the Financial Year 2025-26 is to be read along with this letter.

### Management's Responsibility

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

### Auditor's Responsibility

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliance based on my audit.
3. I believe that audit evidence and information obtained from the company's management is adequate and appropriate for me to provide a basis for my opinion.
4. I have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the process and practices I have followed provide a reasonable basis for my opinion.
5. Wherever required, I have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.
6. I have relied on the Information and documents provided by the Company and the audit is carried out based on the same.

### Disclaimer

7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
8. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

Sd/-

Name: **Pramod S.**

**Company Secretary in Practice**

Membership Number: A36020 COP: 13335

Place: Bengaluru  
Date: May 25, 2026

UDIN: A036020H000476121  
Peer Review Certificate no. 1491/2021

## Annexure - 8

# Report on Corporate Governance

### COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The Company's philosophy on corporate governance is founded on the principles of integrity, transparency, accountability, and ethical business practices. It is committed to achieving sustainable growth while creating long-term value for all stakeholders, including shareholders, employees, customers, business partners, regulators, and the community. The Company believes that sound corporate governance strengthens stakeholder confidence and supports responsible decision-making.

The Company follows a governance framework that emphasizes an accountable Board, effective strategic oversight, transparency in operations and fairness in dealing with all stakeholders. These guiding principles ensure that the Company's affairs are managed efficiently, and in compliance with applicable laws, regulations and established governance standards.

To reinforce its commitment to high standards of corporate governance, the Company has adopted a comprehensive Code of Conduct applicable to its Directors and Senior Management, along with policies for the prevention of insider trading and other ethical business practices. These measures promote a culture of compliance, integrity and responsible corporate behaviour across the organization.

### SHAREHOLDERS

The Company follows a robust process to ensure that the shareholders of the Company are well informed of the Board decisions both on financial and non-financial matters and adequate notice with a detailed explanation is sent to the shareholders well in advance to receive necessary approvals.

### BOARD PROCEDURE

Detailed agenda and notes thereon are sent to each Director at least seven days in advance of Board and Committee Meetings in most instances. During the year, as part of the IPO process the Company had held certain Board and Committee meetings at shorter notice but the same was held with due approval of the Board and Committee members and in presence of at least one Independent Director, wherever applicable. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. The Board reviews strategy and business plans, annual operating plans and capital expenditure budgets, investments, compliance reports etc.

The Board also reviews minutes of meeting of various Committees of the Board, adoption of financial results, major accounting provisions and etc. The Company Secretary records minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to Board /Committee members within fifteen days from the meeting for their comments. Directors communicate their comments, if any, in writing on the draft minutes within seven days from the date of circulation. The minutes are entered in the minute books within thirty days from the conclusion of the meeting and signed by the Chairperson in terms of applicable laws.

The guidelines for Board and Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board/Committee meetings are promptly communicated to the concerned departments/ divisions.

### COMPOSITION OF THE BOARD AND CATEGORY OF DIRECTORS

The composition of the Board of Directors of the Company is governed by the provisions of the **Companies Act, 2013**, ("the Act") and the **Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015** (the "Listing Regulations"), wherever applicable and as amended from time to time.

As on March 31, 2026, the Company has **Six Directors**.

Out of Six Directors **Three are Executive Directors, and Three are Non-Executive Independent Directors**.

The composition of the Board is in conformity with **Regulation 17** of the **Listing Regulations** read with **Section 149 of the Act**.

The Directors of the Company are people of eminence having vast and varied experience in telecom, energy, solar, manufacturing, marketing, technology, finance, human resources and business administration.

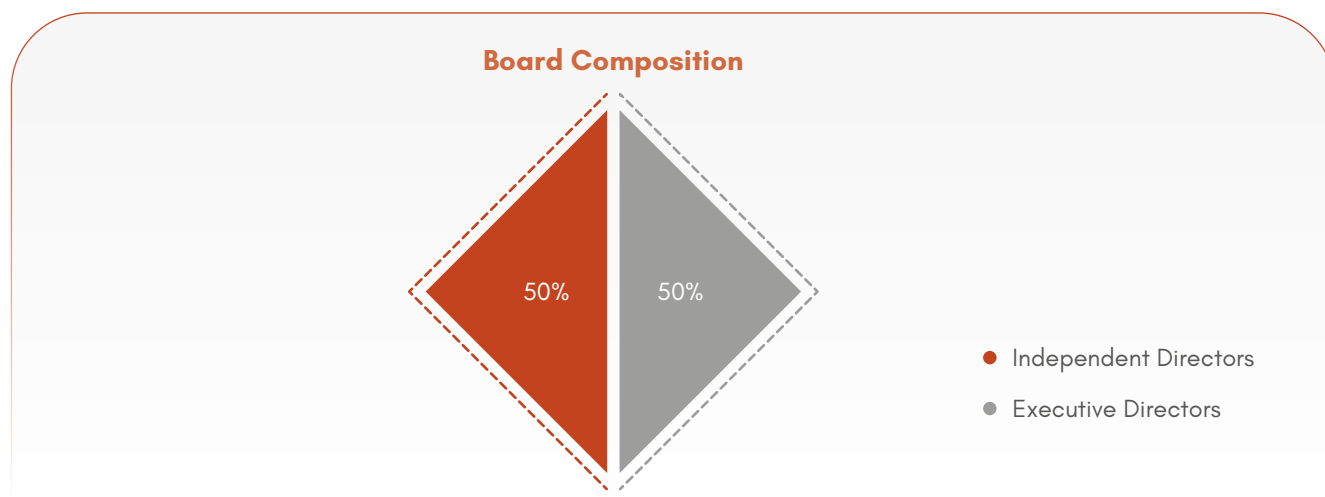
Except for the Independent Directors, the remaining three are Executive Directors who are liable to retire by rotation as per **Section 152(6)** of the **Companies Act, 2013**.

The profiles of Directors are available on the website of the Company at <https://www.pacedigitek.com/investor-relations/management>. The Board's requirement of various skill sets, from time to time, is assessed and recommended by the Nomination & Remuneration Committee of the Board. This ensures that the Board, at all times, is well balanced with optimal combination of experts from various realms.

The composition of the Board, directorship and Committee positions as on March 31, 2026 is as under:

| Board Size | No. of Independent Directors (IDs) | Executive Director | Non-Executive Directors | % of Independent Directors on the Board |
|------------|------------------------------------|--------------------|-------------------------|-----------------------------------------|
| 6          | 3                                  | 3*                 | 0                       | 50%                                     |

\* Includes the Chairman & Managing Director.



Number of other Board of Directors or Committees in which Director is a member/chairperson:

| Name of the Director        | DIN      | Category                             | Shareholding In the Company (Number of Equity Shares Held) | Relationship between Directors, inter-se                                   | No of Directorship in listed entities including this listed entity (Refer Regulation 17A of Listing Regulations) | No of Independent Directorship in listed entities including this listed entity [with reference to proviso to regulation 17A(1) & reg. 17A(2)] | Number of memberships in Audit/ Stakeholder Committee(s) including this listed entity (Refer Regulation 26(1) of Listing Regulations) | No of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity (Refer Regulation 26(1) of Listing Regulations) |
|-----------------------------|----------|--------------------------------------|------------------------------------------------------------|----------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Mr. Venugopalrao Maddisetty | 02070491 | Chairman & Managing Director         | 5,00,33,310                                                | Spouse of Ms. Padma Venugopal Maddisetty<br>Father of Mr. Rajiv Maddisetty | 1                                                                                                                | 0                                                                                                                                             | 2                                                                                                                                     | 0                                                                                                                                                              |
| Ms. Padma Maddisetty        | 02070662 | Whole Time Director                  | 4,99,83,330                                                | Spouse of Mr. Venugopalrao Maddisetty<br>Father of Mr. Rajiv Maddisetty    | 1                                                                                                                | 0                                                                                                                                             | 0                                                                                                                                     | 0                                                                                                                                                              |
| Mr. Rajiv Maddisetty        | 08495070 | Whole Time Director                  | 2,50,41,680                                                | Son of Mr. Venugopalrao Maddisetty and Ms. Padma Venugopal Maddisetty      | 1                                                                                                                | 0                                                                                                                                             | 1                                                                                                                                     | 0                                                                                                                                                              |
| Mr. Om Prakash Mishra       | 09244477 | Non-Executive - Independent Director | -                                                          | -                                                                          | 1                                                                                                                | 1                                                                                                                                             | 2                                                                                                                                     | 1                                                                                                                                                              |
| Mr. Satishchandra B Ogale   | 07125244 | Non-Executive - Independent Director | -                                                          | -                                                                          | 1                                                                                                                | 1                                                                                                                                             | 2                                                                                                                                     | 0                                                                                                                                                              |
| Mr. Prabhakar Reddy Patil   | 00377406 | Non-Executive - Independent Director | -                                                          | -                                                                          | 4                                                                                                                | 4                                                                                                                                             | 6                                                                                                                                     | 3                                                                                                                                                              |

Note:

- Excludes Directorship in private limited companies, foreign companies, high value debt listed entities and Section 8 Companies.

- ii. Includes only the Audit Committee and the Stakeholders' Relationship Committee of Public Limited
- iii. The Company has not issued any convertible securities
- iv. None of the Directors is a member of more than ten (10) Committees or Chairperson of more than five (5).

#### **DIRECTORSHIP AND COMMITTEE MEMBERSHIP IN OTHER LISTED ENTITIES AS ON MARCH 31, 2026**

| SI No | Name of Director            | Name of the Directorship in other listed entities                                                                                    | Name of the Membership in other listed entities' committees                                                                                                                                                                                                                                                                                                         |
|-------|-----------------------------|--------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1.    | Mr. Venugopalrao Maddisetty | Nil                                                                                                                                  | Not Applicable                                                                                                                                                                                                                                                                                                                                                      |
| 2.    | Ms. Padma Maddisetty        | Nil                                                                                                                                  | Not Applicable                                                                                                                                                                                                                                                                                                                                                      |
| 3.    | Mr. Rajiv Maddisetty        | Nil                                                                                                                                  | Not Applicable                                                                                                                                                                                                                                                                                                                                                      |
| 4.    | Mr. Om Prakash Mishra       | Nil                                                                                                                                  | Not Applicable                                                                                                                                                                                                                                                                                                                                                      |
| 5.    | Mr. Satishchandra B Ogale   | Nil                                                                                                                                  | Not Applicable                                                                                                                                                                                                                                                                                                                                                      |
| 6.    | Mr. Prabhakar Reddy Patil   | 1. Swan Corp Limited<br>2. Swan Defence and Heavy Industries Limited<br>3. KHFM Hospitality and Facility Management Services Limited | 1. Swan Corp Limited<br>Nomination and Remuneration Committee- Chairman<br>2. Swan Defence and Heavy Industries Limited<br>Audit Committee- Member<br>Stakeholder Relationship Committee- Member<br>3. KHFM Hospitality and Facility Management Services Limited<br>Stakeholder Relationship Committee- Chairman<br>Nomination and Remuneration Committee- Chairman |



## MEETING AND ATTENDANCE DURING THE YEAR

Thirteen Board Meetings were held during the year and the gap between two consecutive meetings did not exceed one hundred and twenty days.

| Sr. No. | Date of the Meeting |                                                                                                                                               |                                                                                                                                  |
|---------|---------------------|-----------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| 1       | May 07, 2025        | 6<br><br>Board Strength                                      | 3<br><br>No. of Independent Directors Present |
| 2       | June 26, 2025       |                                                                                                                                               |                                                                                                                                  |
| 3       | August 11, 2025     | 3<br><br>No. of Non Independent-Executive Directors Present | 100<br><br>% of Attendance                    |
| 4       | August 30, 2025     |                                                                                                                                               |                                                                                                                                  |
| 5       | September 08, 2025  |                                                                                                                                               |                                                                                                                                  |
| 6       | September 19, 2025  |                                                                                                                                               |                                                                                                                                  |
| 7       | September 25, 2025  |                                                                                                                                               |                                                                                                                                  |
| 8       | September 30, 2025  |                                                                                                                                               |                                                                                                                                  |
| 9       | October 01, 2025    |                                                                                                                                               |                                                                                                                                  |
| 10      | October 25, 2025    |                                                                                                                                               |                                                                                                                                  |
| 11      | November 14, 2025   |                                                                                                                                               |                                                                                                                                  |
| 12      | December 16, 2025   |                                                                                                                                               |                                                                                                                                  |
| 13      | February 07, 2026   |                                                                                                                                               |                                                                                                                                  |

## Information flow to the Board Members

Information is provided to the Board Members on a continuous basis for their review, inputs and approval. Our quarterly and annual financial statements are first presented before the Members of the Audit Committee and subsequently to the Members of the Board for their approval. In addition, various matters such as review of business performance, annual strategic plan and operating plans of our business, appointment of Directors and Key Managerial

Personnel, Succession Planning, Related Party Transactions, annual action plan for Corporate Social Responsibility, statutory audits, details of investor grievances, specific cases of acquisitions, important managerial decisions, material positive/negative developments, risk management initiatives including cybersecurity along with mitigation actions and legal/statutory matters are presented to the respective Committees and further placed before the Board for their approval.

## MEETING AND ATTENDANCE OF THE ANNUAL GENERAL MEETING

The Eighteenth Annual General Meeting was held on September 23, 2025

| Date of the Meeting |                                                                                                            |                                                                                                                                    |                                                                                                                                                |
|---------------------|------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------|
| September 23, 2025  | 6<br><br>Board Strength | 3<br><br>No. of Independent Directors Present | 3<br><br>No. of Non Independent-Executive Directors Present |
|                     |                                                                                                            |                                                                                                                                    | 100<br><br>% of Attendance                                |

## CORE SKILLS / EXPERTISE / COMPETENCIES AVAILABLE WITH THE BOARD

For effective functioning of the Board, the Company's Board needs to have skills/expertise/competencies in the areas of strategic leadership experience, experience of crafting Business strategies, Diversity, finance and accounting expertise and understanding of the changing regulatory landscape.

The Company's Board is composed of people from diverse fields. The Company's Directors are qualified and possess the appropriate knowledge, skills, experience, expertise, diversity, and independence, covering Business, Finance & Accounting and Governance/Legal. In the table given below, various skills/expertise/competencies of the Board of Directors are given:

| Sl. No. | Name of Director            | Core Skills                               |                     |                     |                                 |                                      |
|---------|-----------------------------|-------------------------------------------|---------------------|---------------------|---------------------------------|--------------------------------------|
|         |                             | Wide Management and Leadership experience | Industry experience | Financial Expertise | Governance, Risk and Compliance | Functional and Managerial Experience |
| 1.      | Mr. Venugopalrao Maddisetty | Yes                                       | Yes                 | Yes                 | Yes                             | Yes                                  |
| 2.      | Ms. Padma Maddisetty        | Yes                                       | Yes                 | No                  | Yes                             | Yes                                  |
| 3.      | Mr. Rajiv Maddisetty        | Yes                                       | Yes                 | Yes                 | Yes                             | Yes                                  |
| 4.      | Mr. Om Prakash Mishra       | Yes                                       | No                  | Yes                 | Yes                             | Yes                                  |
| 5.      | Mr. Satishchandra B Ogale   | Yes                                       | Yes                 | No                  | Yes                             | Yes                                  |
| 6.      | Mr. Prabhakar Reddy Patil   | Yes                                       | Yes                 | Yes                 | Yes                             | Yes                                  |

Independent Directors of the Company have provided a declaration as required under the Companies Act, 2013 and Listing Regulations. The Board has noted the said declarations and have opined that all Independent Directors fulfil the conditions of independence and are independent of the management of the Company. All Independent Directors fulfil the requirements stipulated in Regulation 25(1) of the Listing Regulations and Section 149 read with Schedule IV of the Companies Act, 2013.

During the year under review, no Independent Director of the Company resigned from their position.

### Changes in our Board in the last three years

| Sr. No. | Name                    | Date of Appointment/ Change in Designation/Cessation | Reasons                                                      |
|---------|-------------------------|------------------------------------------------------|--------------------------------------------------------------|
| 1.      | Venugopalrao Maddisetty | January 07, 2025                                     | Appointment as the Chairman and Managing Director            |
| 2.      | Padma Maddisetty        | January 07, 2025                                     | Change in designation from Director to Whole - Time Director |
| 3.      | Rajiv Maddisetty        | January 07, 2025                                     | Change in designation from Director to Whole - Time director |
| 4.      | Satishchandra B Ogale   | January 07, 2025                                     | Appointment as an Independent Director                       |
| 5.      | Om Prakash Mishra       | January 07, 2025                                     | Appointment as an Independent Director                       |
| 6.      | Prabhakar Reddy Patil   | February 01, 2025                                    | Appointment as an Independent Director                       |

### Compliance with the Code of Conduct and Ethics:

The Company has adopted the Code of Business Conduct and Ethics for Board Members and its Senior Management which is available on the Company website at [www.pacedigitek.com](http://www.pacedigitek.com)

Every quarter, the Board of Directors are educated on significant amendments to the legislations that have an impact on the Company and the roles of Directors. During the year under review trainings session on following programs were organised for the Directors:

- SEBI Regulations
- SEBI (Prohibition of Insider Trading) Regulations, 2015

### Enforcing any violation of the code of conduct:

All and any violations to the Code of Conduct are dealt seriously with there being a formal investigation process that is set into motion to look into the merits, if any, of the alleged violations. However, behaviour related issues are dealt by the Head

of Human Resources and all sexual harassment complaints are looked into by the Internal Committee formulated under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act of 2013.

Periodical code of conduct trainings are conducted to remind all stakeholders (viz., distributors, suppliers, customers, job contractors etc.) of the provisions of code of conduct. In particular, specific trainings were conducted during the year under review, to all Directors and Designated Persons, during the year, on Prohibition of Insider Trading. Amongst numerous other topics that were covered during the year as part of training, personnel were trained on prevention of sexual harassment, fostering culture of speaking up for what is not right, export trade compliance regulation, training and preserving confidential information.

For the complainants to post any grievances, your Company has a whistle blower policy in place, a copy of which is disclosed on the Company's website.

All stakeholders have been provided with access to the Audit Committee amongst other options available to them under the Whistle Blower Policy.

Apart from access to the Audit Committee, the Company also has a dedicated email ID to which any person (internal or external) can share their grievances.

Anonymous complaints are treated with the same care as non-anonymous complaint.

## COMMITTEES

### AUDIT COMMITTEE

The Audit Committee was constituted on February 01, 2025. The Composition of the Audit Committee are as given below:

| Sr. No. | Name of the Director    | Designation                    | Position in the Committee                                                             |
|---------|-------------------------|--------------------------------|---------------------------------------------------------------------------------------|
| 1.      | Prabhakar Reddy Patil   | Independent Director           |  |
| 2.      | Satishchandra B Ogale   | Independent Director           |  |
| 3.      | Om Prakash Mishra       | Independent Director           |  |
| 4.      | Venugopalrao Maddisetty | Chairman and Managing Director |  |



Member



Chairman

The Company Secretary will act as the Secretary of the Committee.

The scope and functions of the Audit Committee are in accordance with **Section 177** of the Companies Act and **Regulation 18** of the SEBI Listing Regulations and its terms of reference are as follows:

#### Terms of Reference for the Audit Committee:

The Audit Committee shall be responsible for, among other things, from time to time, the following:

#### A. Powers of the Audit Committee

The powers of the Audit Committee shall include the following:

- to investigate any activity within its terms of reference;
- to seek information from any employee;
- to obtain outside legal or other professional advice;
- management discussion and analysis of financial condition and results of operations;

- to secure attendance of outsiders with relevant expertise, if it considers necessary; and

- such other powers as may be prescribed under the Companies Act and SEBI Listing Regulations.

#### B. Role of the Audit Committee

The role of the Audit Committee shall include the following:

- oversight of financial reporting process and the disclosure of financial information relating to the Company to ensure that the financial statements are correct, sufficient and credible;
- recommendation for appointment, re-appointment, replacement, remuneration and terms of appointment of auditors of the Company and the fixation of the audit fee;
- approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- formulation of a policy on related party transactions, which shall include materiality of related party transactions;

5. reviewing, at least on a quarterly basis, the details of related party transactions entered into by the Company pursuant to each of the omnibus approvals given.
6. examining and reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions; and
  - g. Modified opinion(s) in the draft audit report.
7. reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval;
8. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the issue document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
9. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
10. approval or any subsequent modification of transactions of the Company with related parties and omnibus approval for related party transactions proposed to be entered into by the Company, subject to the conditions as may be prescribed;
11. Explanation: The term "related party transactions" shall have the same meaning as provided in Clause 2(zc) of the SEBI Listing Regulations and/or the applicable Accounting Standards and/or the Companies Act, 2013.
12. laying down the criteria for granting omnibus approval in line with the Company's policy on related party transactions and such approval shall be applicable in respect of transactions which are repetitive in nature;
13. scrutiny of inter-corporate loans and investments;
14. valuation of undertakings or assets of the Company, wherever it is necessary;
15. evaluation of internal financial controls and risk management systems;
16. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
17. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
18. discussion with internal auditors of any significant findings and follow up thereon;
19. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
20. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
21. recommending to the board of directors the appointment and removal of the external auditor, fixation of audit fees and approval for payment for any other services;
22. looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
23. reviewing the functioning of the whistle blower mechanism;
24. monitoring the end use of funds raised through public issues and related matters;
25. overseeing the vigil mechanism established by the Company, with the chairman of the Audit Committee directly hearing grievances of victimization of employees and directors, who used vigil mechanism to report genuine concerns in appropriate and exceptional cases;



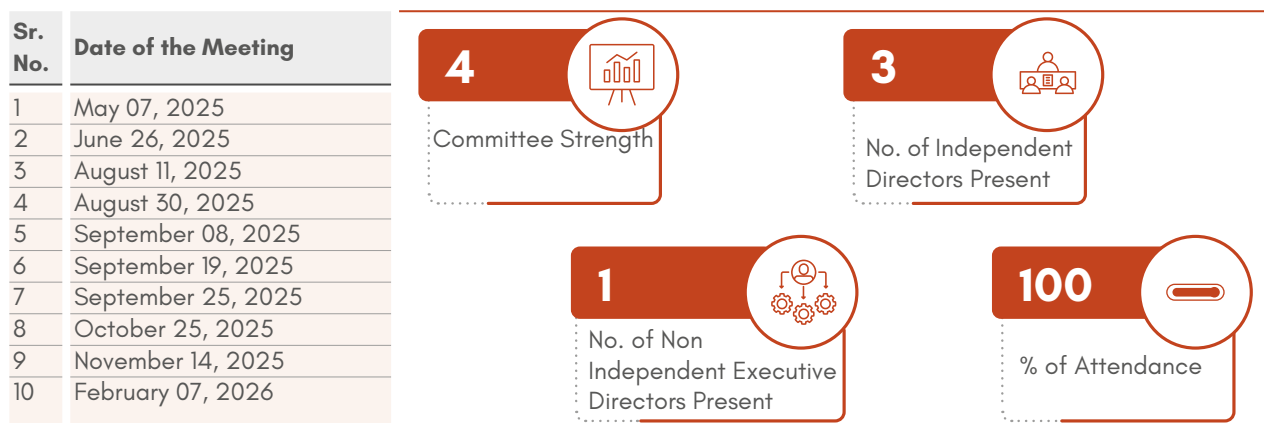
26. approval of appointment of chief financial officer (i.e., the whole-time finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
27. reviewing the utilization of loans and/or advances from / investment by the holding company in the subsidiary exceeding ₹ 1,000,000,000 or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing;
28. to consider and comment on the rationale, cost benefits and impact of schemes involving merger, demerger, amalgamation etc. of

the Company and provide comments to the Company's shareholders;

29. to review compliance with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, at least once in a Financial Year and shall verify that the systems for internal control under the said regulations are adequate and are operating effectively; and
30. carrying out any other functions required to be carried out by the Audit Committee as contained in the SEBI Listing Regulations or any other applicable law, as and when amended from time to time.

### Meeting and Attendance during the year:

Ten Audit Committee Meetings were held during the year. Necessary quorum was present in all the meetings. The time gap between any two Audit Committee Meetings was not more than four months.



### NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee was constituted on February 01, 2025. The Composition of the Nomination and Remuneration Committee are as given below:

| Sr. No. | Name of the Director  | Designation          | Position in the Committee                                                             |
|---------|-----------------------|----------------------|---------------------------------------------------------------------------------------|
| 1.      | Satishchandra B Ogale | Independent Director |  |
| 2.      | Prabhakar Reddy Patil | Independent Director |  |
| 3.      | Om Prakash Mishra     | Independent Director |  |



Member



Chairman

The scope and functions of the Nomination and Remuneration Committee are in accordance with **Section 178** of the Companies Act and **Regulation 19** of the SEBI Listing Regulations and its terms of reference are as follows:

#### Terms of Reference for the Nomination and Remuneration Committee:

The Nomination and Remuneration Committee shall be responsible for, among other things, the following:

1. formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors of the Company (**Board** or **Board of Directors**) a policy relating to the remuneration of the directors, key managerial personnel and other employees (**Remuneration Policy**);

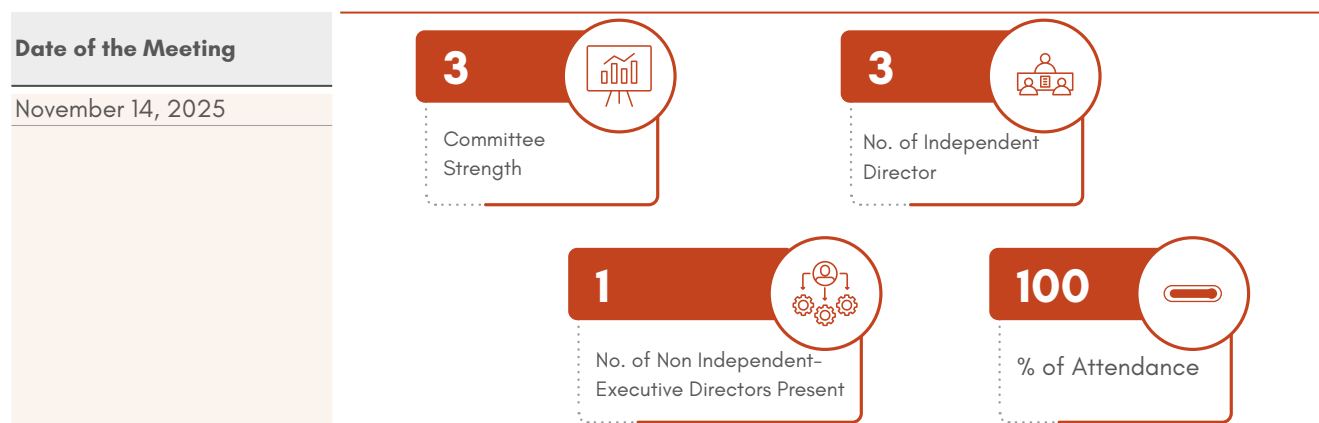
2. the Nomination and Remuneration Committee, while formulating the Remuneration Policy, should ensure that:
  - a. the level and composition of remuneration be reasonable and sufficient to attract, retain and motivate directors of the quality required to run our Company successfully;
  - b. relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c. remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short- and long-term performance objectives appropriate to the working of the Company and its goals;
3. formulation of criteria for evaluation of performance of independent directors and the Board;
4. devising a policy on Board diversity;
5. identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal and shall specify the manner for effective evaluation of performance of the Board, its committees and individual directors to be carried out either by the Board, by the Nomination and Remuneration Committee or by an independent external agency and review its implementation and compliance. The Company shall disclose the Remuneration Policy and the evaluation criteria in its annual report;
6. reviewing and recommending to the Board, manpower plan/ budget and sanction of new senior management positions from time to time in the future;
7. for every appointment of an independent director, the Nomination and Remuneration Committee shall evaluate the balance of skills, knowledge and experience on the Board and on the basis of such evaluation, prepare a description of the role and capabilities required of an independent director. The person recommended to the Board for appointment as an independent director shall have the capabilities identified in such description. For the purpose of identifying suitable candidates, the Nomination and Remuneration Committee may:
  - a. use the services of an external agencies, if required;
  - b. consider candidates from a wide range of backgrounds, having due regard to diversity; and
  - c. consider the time commitments of the candidates,
8. extending or continuing the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors;
9. evaluation and recommendation of termination of appointment of directors in accordance with the Board's governance principles for cause or for other appropriate reasons;
10. making recommendations to the Board in relation to the appointment, promotion and removal of the senior management personnel;
11. recommending to the Board, all remuneration, in whatever form, payable to senior management, including revisions thereto;
12. administering, monitoring and formulating detailed terms and conditions of the Employees Stock Option Scheme of the Company;
13. framing suitable policies and systems to ensure that there is no violation, as amended from time to time, of any securities laws or any other applicable laws in India or overseas, including:
  - a. the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended; and
  - b. the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to the Securities Market) Regulations, 2003, as amended
14. carrying out any other function as is mandated by the Board from time to time and / or enforced/ mandated by any statutory notification, amendment or modification, as may be applicable;
15. performing such other functions as may be necessary or appropriate for the performance of its duties;
16. periodically reviewing and re-examining the terms of reference and making recommendations to our Board for any proposed changes;
17. authorization to obtain advice, reports or opinions from internal or external counsel and expert advisors;
18. ensuring proper induction program for new directors, key managerial personnel and senior management and reviewing its effectiveness along-with ensuring that on appointment, they receive a formal letter of appointment in accordance with guidelines provided under the Companies Act;
19. developing a succession plan for our Board and senior management and regularly reviewing the plan;
20. ensuring that it proactively maintains a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company;
21. consideration and determination of the Remuneration Policy based on performance and also bearing in mind that the remuneration is reasonable and sufficient to

attract, retain and motivate members of the Board and such other factors as the Nomination and Remuneration Committee shall deem appropriate; and

22. perform such other activities as may be delegated by the Board or specified/ provided under the Companies Act to the extent notified and effective, as amended or by the SEBI Listing Regulations, as amended or by any other applicable law or regulatory authority.

### Meeting and Attendance during the year:

One Nomination and Remuneration Committee Meeting was held during the year. Necessary quorum was present in all the meetings. The time gap between any two Nomination and Remuneration Committee Meetings was not more than four months.



### Board Diversity:

The Company believes that a diverse board will enhance the decision-making ability of the Board by utilizing the different skills, experience and background, geographical and industry experience, ethnicity, gender, knowledge and length of services, and other distinguishing qualities of the members of the Board. Diversity will be considered in determining the optimum composition of the Board, and all appointments will be based on merit, having due regard to the overall effectiveness of the Board.

The Committee is responsible for reviewing and assessing the composition of the Board and will make recommendations to the Board on the appointment of new Directors. The Committee will also review the structure, size and diversity of the Board annually and make recommendations on any proposed changes to the Board to complement the Company's objectives and strategy.

The Nomination and Remuneration Policy, Performance Evaluation and Policy on Board Diversity are available on the Company's website.

### EVALUATION OF THE PERFORMANCE OF THE BOARD, ITS COMMITTEES AND OF INDIVIDUAL DIRECTORS

The Nomination & Remuneration Committee of the Company, in accordance with the provisions of the Companies Act, 2013 and the Rules made there under and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, laid down the criteria for the performance evaluation of the Board, Committees and every Director including Independent Directors and the Chairman. However, the Company was listed on both NSE and BSE on October 06, 2025. As this is the first financial year post listing, the performance evaluation for the year has been carried out on April 22, 2026 in the subsequent Financial Year.

The Policy on Board of Directors' Evaluation Framework in compliance with Section 178 can be accessed at <https://www.pacedigitek.com/pdf/Governance/Policies/02-Policy-for-evaluation-of-performance-of-board.pdf>

### STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship Committee of our Board was constituted on February 1, 2025. The Composition of the Stakeholder's Relationship Committee are as given below:

| Sr. No. | Name of the Director  | Designation          | Position in the Committee                                                             |
|---------|-----------------------|----------------------|---------------------------------------------------------------------------------------|
| 1.      | Om Prakash Mishra     | Independent Director |  |
| 2.      | Prabhakar Reddy Patil | Independent Director |  |
| 3.      | Rajiv Maddisetty      | Whole-time Director  |  |
| 4.      | Meghana MP            | Secretary            |  |



Member



Chairman



Secretary

### Terms of Reference for the Stakeholders' Relationship Committee:

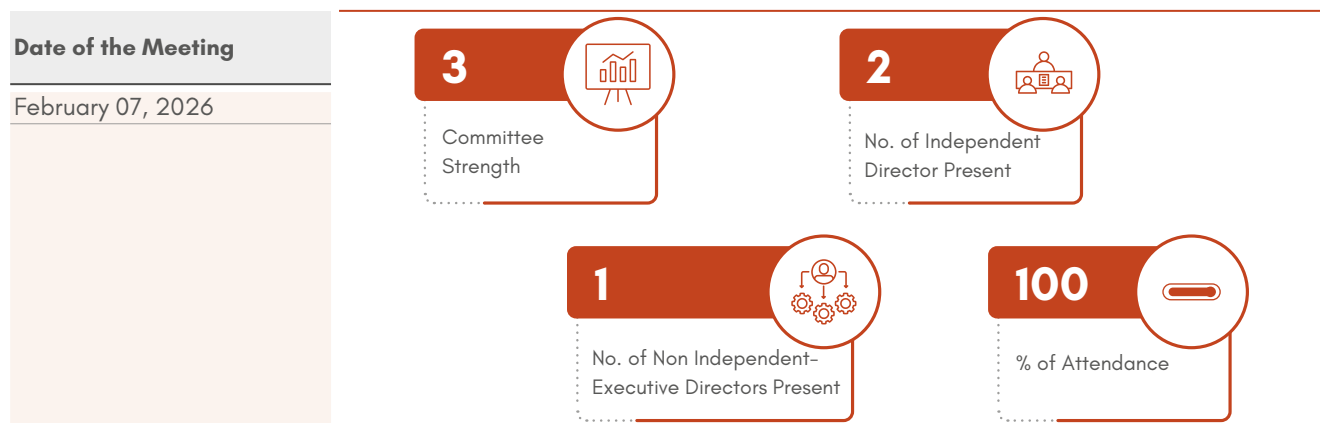
The Stakeholders' Relationship Committee shall be responsible for, among other things, as may be required by the under applicable law, the following:

The terms of reference of the Stakeholders' Relationship Committee include the following:

1. considering and specifically looking into various aspects of interests of shareholders, debenture holders and other security holders;
2. resolving the grievances of the security holders of the listed entity including complaints related to allotment of shares, transfer of shares or debentures, including non-receipt of share or debenture certificates and review of cases for refusal of transfer / transmission of shares and debentures, depository receipt, non-receipt of annual report, balance sheet or profit and loss account, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc. and assisting with quarterly reporting of such complaints;
3. review of measures taken for effective exercise of voting rights by shareholders;
4. investigating complaints relating to allotment of shares, approval of transfer or transmission of shares, debentures or any other securities;
5. giving effect to all transfer/transmission of shares and debentures, dematerialization of shares and re-materialization of shares, split and issue of duplicate/ consolidated share certificates, compliance with all the requirements related to shares, debentures and other securities from time to time;
6. review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the registrar and share transfer agent of the Company and to recommend measures for overall improvement in the quality of investor services;
7. review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the Company; and
8. carrying out such other functions as may be specified by the Board from time to time or specified/provided under the Companies Act or SEBI Listing Regulations, or by any other regulatory authority.

### Meeting and Attendance during the year:

One Stakeholders' Relationship Committee Meetings was held during the year. Necessary quorum was present in all the meetings.



### Details of Complaints / Queries received and redressed during the period starting from October 06, 2025 to March 31, 2026:

| Number of shareholders'complaints received during the year | Number of shareholders'complaints not solved to the satisfaction of the shareholders | Number of shareholders'complaints pending at the end of the year |
|------------------------------------------------------------|--------------------------------------------------------------------------------------|------------------------------------------------------------------|
| 02                                                         | Nil                                                                                  | 01                                                               |



## CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee was re-constituted on February 1, 2025. The Composition of the Corporate Social Responsibility Committee are as given below:

| Sr. No. | Name of the Director       | Designation                    | Position in the Committee                                                           |
|---------|----------------------------|--------------------------------|-------------------------------------------------------------------------------------|
| 1.      | Venugoplarao Maddisetty    | Chairman and Managing Director |  |
| 2.      | Padma Venugopal Maddisetty | Whole-time Director            |  |
| 3.      | Satishchandra B Ogale      | Independent Director           |  |



Member



Chairman

The scope and functions of the Corporate Social Responsibility Committee are in accordance with **Section 135** of the Companies Act.

### Terms of Reference for the Corporate Social Responsibility Committee

The terms and reference of the Corporate Social Responsibility Committee include the following:

- formulate and recommend to the Board, a "Corporate Social Responsibility Policy" which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013 and the rules made thereunder, as amended (**Companies Act**), monitor the implementation of the same from time to time, and make any revisions therein as and when decided by the Board;
- identify corporate social responsibility policy partners and corporate social responsibility policy programmes;
- review and recommend the amount of expenditure to be incurred on the activities referred to in clause (1) and the distribution of the same to various corporate social responsibility programs undertaken by the Company;
- delegate responsibilities to the corporate social responsibility team and supervise proper execution of all delegated responsibilities;
- review and monitor the implementation of corporate social responsibility programmes and issuing necessary directions as required for proper implementation and timely completion of corporate social responsibility programmes;
- assistance to the Board to ensure that our Company spends towards the corporate social responsibility activities in every Fiscal, such percentage of average net profit/ amount as may be prescribed in the Companies Act;
- providing explanation to the Board if the Company fails to spend the prescribed amount within the Financial Year;
- providing updates to our Board at regular intervals of six months on the corporate social responsibility activities;
- any other matter as the Corporate Social Responsibility Committee may deem appropriate after approval of the Board or as may be directed by the Board, from time to time; and
- exercise such other powers as may be conferred upon the Corporate Social Responsibility Committee in terms of the provisions of Section 135 of the Companies Act.

### Meeting and Attendance during the year:

Two Corporate Social Responsibility Committee Meetings were held during the year. Necessary quorum was present in all the meetings.

| Date of the Meeting | Committee Strength | No. of Independent Directors Present | No. of Non-Independent-Executive Directors Present | % of Attendance |
|---------------------|--------------------|--------------------------------------|----------------------------------------------------|-----------------|
| September 25, 2025  | 3                  | 1                                    | 2                                                  | 100             |
| March 31, 2026      | 3                  | 0                                    | 2                                                  | 66.67           |

## RISK MANAGEMENT COMMITTEE

The Risk Management Committee was constituted on February 1, 2025. The Composition of the Risk Management Committee are as given below:

| Sr. No. | Name of the Director    | Designation                    | Position in the Committee                                                           |
|---------|-------------------------|--------------------------------|-------------------------------------------------------------------------------------|
| 1.      | Rajiv Maddisetty        | Whole-time Director            |  |
| 2.      | Venugoplarao Maddisetty | Chairman and Managing Director |  |
| 3.      | Om Prakash Mishra       | Independent Director           |  |



Member



Chairman

The scope and functions of the Risk Management Committee are in accordance with **Section 178** of the Companies Act and the **Regulation 21** of the SEBI Listing Regulations.

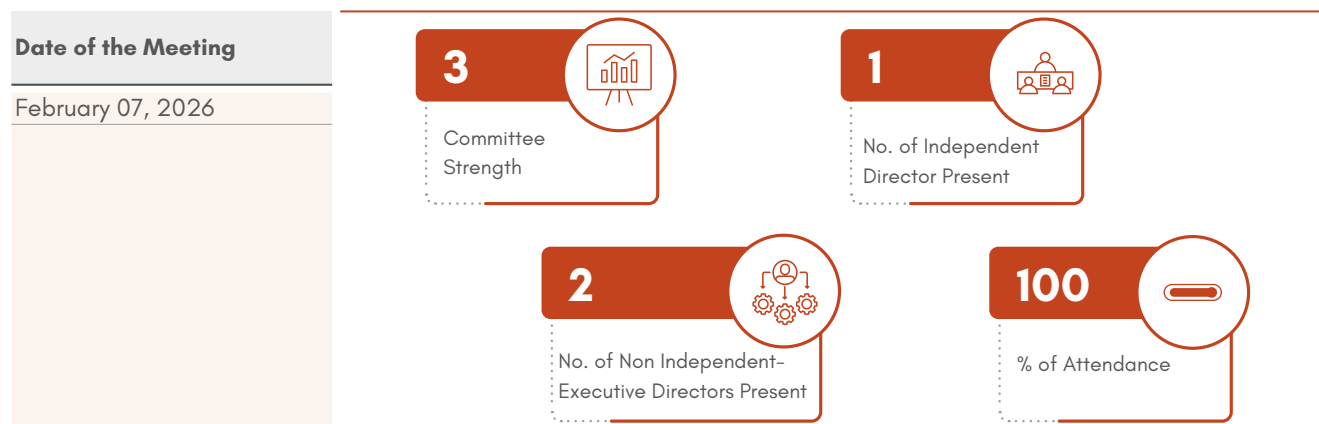
### Terms of Reference for the Risk Management Committee

The terms of reference of the Risk Management Committee include the following:

- To review and assess the risk management system and policy of the Company from time to time and recommend for amendment or modification thereof. The risk management policy shall include the following:
  - A framework for identification of internal and external risks specifically faced by the listed entity, in particular including financial, operational, sectoral, sustainability (particularly, ESG related risks), information, cyber security risks or any other risk as may be determined by the Risk Management Committee;
  - Measures for risk mitigation including systems and processes for internal control of identified risks; and
  - Business continuity plan.
- To ensure that appropriate methodology, processes and systems are in place to monitor and evaluate risks associated with the business of the Company;
- To periodically review the risk management policy, at least once in two years, including by considering the changing industry dynamics and evolving complexity;
- To keep the Board informed about the nature and content of its discussions, recommendations and actions to be taken;
- The appointment, removal and terms of remuneration of the Chief Risk Officer (if any) shall be subject to review by the Risk Management Committee;
- To implement and monitor policies and/or processes for ensuring cyber security;
- To frame, devise and monitor risk management plan and policy of the Company, including evaluating the adequacy of risk management systems;
- To review and recommend potential risk involved in any new business plans and processes;
- To review the Company's risk-reward performance to align with the Company's overall policy objectives;
- Monitor and review regular updates on business continuity;
- Advise the Board with regard to risk management decisions in relation to strategic and operational matters such as corporate strategy; and
- Performing such other activities as may be delegated by the Board or specified/ provided under the Companies Act, 2013, as amended or by the SEBI Listing Regulations or statutorily prescribed under any other law or by any other regulatory authority.

## Meeting and Attendance during the year:

One Risk Management Committee Meetings was held during the year. Necessary quorum was present in all the meetings. The time gap between any two Risk Management Committee Meetings was not more than four months.



## Policy for Preservation of Documents

Pursuant to the requirements under Regulation 9 of the Listing Regulations, the Board has formulated and approved a Document Retention Policy prescribing the manner of retaining the Company's documents and the time period up to which certain documents are to be retained. The policy applies to all departments of the organization that handle the prescribed categories of documents.

This Policy has been displayed on the Company's website at <https://www.pacedigitek.com/pdf/Governance/Policies>

## Other Policies

The Company has adopted a policy for prevention, prohibition & redressal of sexual harassment of women at workplace, as well as a code of conduct to regulate, monitor and report insider trading. Details of these policies and disclosures in relation to the Sexual Harassment of Women at Workplace are provided as part of the Board's report.

## Subsidiary Monitoring Framework

All the subsidiary companies of the Company are managed by their Boards having the rights and obligations to manage these companies in the best interest of respective stakeholders. The Company nominates its representatives on the Board of subsidiary companies and monitors performance of such companies, inter alia, by:

- Reviewing financial statements, investments, inter-corporate loans/advances made by the unlisted subsidiary companies, statement containing all significant transactions and arrangements entered by the unlisted subsidiary companies forming part of the financials.
- Minutes of the meetings and circular resolutions of the unlisted subsidiary companies, if any, are placed before the Company's Board regularly.

- Providing necessary guarantees, letter of comfort and other support for their day-to-day operations, from time-to-time. As required under Regulation 16(1)(c) and 24 of the Listing Regulations, the Company has adopted a policy for determining material subsidiary and the said policy is available on the Company's website at <https://www.pacedigitek.com/pdf/Governance/Policies>

As required under Regulation 16(1)(c) and 24 of the Listing Regulations, the Company has adopted a policy for determining material subsidiary and the said policy is available on the Company's website at <https://www.pacedigitek.com/pdf/Governance/Policies>

## BOARD EVALUATION

The Nomination & Remuneration Committee of the Company, in accordance with the provisions of the Companies Act, 2013 and the Rules made there under and the applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, laid down the criteria for the performance evaluation of the Board, Committees and every Director including Independent Directors and the Chairman.

However, The Company was listed on both NSE and BSE on October 06, 2025. As this is the first financial year post listing, the performance evaluation for the year has been carried out on April 22, 2026 in the subsequent Financial Year.

The Policy on Board of Directors' Evaluation Framework in compliance with Section 178 can be accessed at <https://www.pacedigitek.com/pdf/Governance/Policies/02-Policy-for-evaluation-of-performance-of-board.pdf>

## INDEPENDENT DIRECTORS

The Independent Directors are from diverse fields of expertise and have long-standing experience and expert knowledge in their respective fields are very relevant as well as of considerable value for the Company's business.

As a part of the familiarization programme as required under Listing Regulations, the Directors have been apprised during the Board/Committee Meetings about the amendments to the various enactments viz., Companies Act, 2013 (the Act) and Listing Regulations. Further, as a part of Board and Committee meetings members of the Board are also apprised on various developments in business both from an internal and external perspective.

In accordance with Section 149 read with Schedule IV of the Act and Regulation 25 of the Listing Regulations, the Company has put in place a system to familiarize the Independent Directors regarding their rights, duties, roles and responsibilities in the Company, nature of the industry in which the Company operates, Company's Strategy, business model and performance updates of the Company, etc.

The details of familiarization programme for Independent Directors have been disclosed on the website of the Company at <https://www.pacedigitel.com/investor-relations/governance>.

During the period under review, the Company has conducted the familiarization programme and details are available on the website.

The terms and conditions of appointment of the Independent Directors are disclosed on the Company's website

The key managerial personnel of the Company provide regular updates to all the Directors by making a presentation(s) on key business developments, business & financial performance, new strategic initiatives, regulatory changes, and other related matters during the Board meetings.

Pursuant to the provisions of Section 149(8) read with Schedule IV (Code for Independent Directors) of the Companies Act, 2013, and Regulation 25(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Independent Directors of the Company are required to hold at least one meeting in a Financial Year, without the presence of non-independent directors and members of management, to inter alia review the performance of the Board, Chairperson and assess the quality and flow of information.

The Company will ensure compliance with the aforesaid provisions in the subsequent Financial Year.

The Board periodically reviews the compliance reports submitted by the Management in respect of all laws applicable to the Company.

## 1. General Body Meetings:

Annual General Meetings of last 3 Years and Special Resolutions, if any:

| Financial Year | Date and Time                      | Location                                                         | Special Resolutions passed |
|----------------|------------------------------------|------------------------------------------------------------------|----------------------------|
| FY 2024-25     | September 23, 2025 at 11:30 AM IST | At the Registered Office of the Company situated at Plot # V 12, | Nil                        |
| FY 2023-24     | July 24, 2024 at 12:00 PM IST      | Industrial Estate, Kumbalgodu, Bangalore Mysore Highway,         | Nil                        |
| FY 2022-23     | September 30, 2023 at 12:00 PM IST | Bangalore, Karnataka, India, 560074                              | Nil                        |

Details of resolutions passed through postal ballot during financial Year 2025-26 and details of the voting pattern:

Not applicable for Financial Year ended March 31, 2026

## Remuneration of Directors:

### Chairman and Managing Director

Venugoplarao Maddisetty was appointed as a Managing Director with effect from March 1, 2007. He was appointed as Chairman and Managing Director for 5 years with effect from January 7, 2025, pursuant to a Board resolution dated January 7, 2025 and a Shareholders' resolution dated January 7, 2025. He is entitled to the following remuneration and perquisites with effect from January 7, 2025:

|                             |                                                                                                 |
|-----------------------------|-------------------------------------------------------------------------------------------------|
| Date of appointment         | January 7, 2025                                                                                 |
| Term of appointment         | For a period of 5 years from January 7, 2025                                                    |
| Remuneration (in ₹ million) | ₹ 22.87 million per annum, however the annual aggregate income shall not exceed ₹ 50.00 million |



### Whole Time Directors

Padma Maddisetty was appointed as a Director with effect from March 1, 2007. She was appointed as the Whole Time Director for 5 years with effect from January 7, 2025, pursuant to a Board resolution dated January 7, 2025 and a Shareholders' resolution dated January 7, 2025. She is entitled to the following remuneration and perquisites with effect from January 7, 2025:

|                             |                                                                                                 |
|-----------------------------|-------------------------------------------------------------------------------------------------|
| Date of appointment         | January 7, 2025                                                                                 |
| Term of appointment         | For a period of 5 years from January 7, 2025                                                    |
| Remuneration (in ₹ million) | ₹ 20.33 million per annum, however the annual aggregate income shall not exceed ₹ 30.00 million |

Rajiv Maddisetty was appointed as a Director of our Company with effect from July 9, 2019. He was appointed as a Whole Time Director for 5 years with effect from January 7, 2025, pursuant to a Board resolution dated January 7, 2025 and a Shareholders' resolution dated January 7, 2025. He is entitled to the following remuneration and perquisites with effect from January 7, 2025:

|                             |                                                                                                 |
|-----------------------------|-------------------------------------------------------------------------------------------------|
| Date of appointment         | January 7, 2025                                                                                 |
| Term of appointment         | For a period of 5 years from January 7, 2025                                                    |
| Remuneration (in ₹ million) | ₹ 10.92 million per annum, however the annual aggregate income shall not exceed ₹ 25.00 million |

### All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity;

Pursuant to a resolution passed by our Board at its meeting held on January 7, 2025 each Independent Director is entitled to receive sitting fees of ₹ 100,000 per meeting for attending meetings of our Board and or Committees.

The details of sitting fees paid to Non-Executive Directors for the 2025-26 are as under:

| Sr. No.      | Name of the Executive Director | Sitting Fees Paid |
|--------------|--------------------------------|-------------------|
| 1.           | Mr. Om Prakash Mishra          | 2.80              |
| 2.           | Mr. Satishchandra B Ogale      | 3.30              |
| 3.           | Mr. Prabhakar Reddy Patil      | 2.70              |
| <b>Total</b> |                                | <b>8.80</b>       |

### Remuneration to Directors in the Subsidiaries-Lineage Power Private Limited

Except as disclosed, neither our Company nor our subsidiary has paid any compensation or granted any benefit on an individual basis to any of our Directors (including contingent or deferred compensation) other than the remuneration paid to them for Fiscal 2025-2026:

| Sr. No.      | Name of the Executive Director | Name of the Subsidiary        | Amount (in ₹ million) |
|--------------|--------------------------------|-------------------------------|-----------------------|
|              | Venugopalrao Maddisetty        | Lineage Power Private Limited | 8.60                  |
| <b>Total</b> |                                |                               | <b>8.60</b>           |

### Appointment of our Non-Executive Directors and Independent Directors in the Subsidiaries

Pursuant to a resolution passed by our Board at its meeting held on October 04, 2025 each Independent Director is entitled to receive sitting fees of ₹ 15,000 per meeting for attending meetings of our Board and, or Committees of our Board.

The Company also reimburse the out-of pocket expenses incurred by the Non-Executive Independent Directors for attending the meetings.

The details of sitting fees paid to Non-Executive Directors for the 2025-26 are as under:

| Sr. No.      | Name of Independent Director | Designation          | Amount      |
|--------------|------------------------------|----------------------|-------------|
| 1.           | Satishchandra B Ogale        | Independent Director | 0.14        |
| 2.           | Prabhakar Reddy Patil        | Independent Director | 0.14        |
| <b>Total</b> |                              |                      | <b>0.27</b> |

The criteria for determination of commission to Non-Executive Independent Directors as approved by the Board, includes Chairmanship of the Board / Committees of the Board, individual responsibilities and additional contribution to the Company.

#### Details of Investor Grievances:

##### Name and designation of Compliance Officer

|                                                |                                                                                                              |
|------------------------------------------------|--------------------------------------------------------------------------------------------------------------|
| Name and contact detail of Compliance Officer: | Ms. Meghana MP                                                                                               |
| Email Id for correspondence:                   | complianceofficer@pacedigitel.com                                                                            |
| Registered Office:                             | Plot # V 12, Industrial Estate, Kumbalgodu, Bangalore<br>Mysore Highway, Bangalore, Karnataka, India, 560074 |

#### Details of Investor Relations

|                              |                                                                                                              |
|------------------------------|--------------------------------------------------------------------------------------------------------------|
| Name and contact details:    | Mr. Ajay Wamanrao Tambhale                                                                                   |
| Email Id for correspondence: | <a href="mailto:investor.relations@pacedigitel.com">investor.relations@pacedigitel.com</a>                   |
| Registered Office:           | Plot # V 12, Industrial Estate, Kumbalgodu, Bangalore<br>Mysore Highway, Bangalore, Karnataka, India, 560074 |

#### Particulars of the Senior Management including the changes therein since the close of the previous Financial Year

| Sr. No. | Name                     | Designation                         |
|---------|--------------------------|-------------------------------------|
| 1.      | Mr. Sunil Jayam          | Business Head - Energy              |
| 2.      | Mr. Bhaskara Rao Y       | AVP - Product Services              |
| 3.      | Mr. Alok Singhal         | Vice President - Sales              |
| 4.      | Mr. Prafull Ranjan Singh | Head - Projects and Operations      |
| 5.      | Mr. Sathya Seelan T      | Head - ICT - Technical & Operations |
| 6.      | Mr. Krishnamurthy        | Head- HR and Admin                  |
| 7.      | Mr. Surajit Khan         | Head - Projects                     |

#### Changes in the Senior Management during the last financial year :

| Name                | Designation                                 | Date of appointment / change / cessation | Reasons                                                                                        |
|---------------------|---------------------------------------------|------------------------------------------|------------------------------------------------------------------------------------------------|
| Mr. Bhaskara Rao Y  | AVP - Product Services                      | June 30, 2025                            | Resignation                                                                                    |
| Mr. Alok Singhal    | Chief Operating Officer (COO) -Telecom      | February 06, 2026                        | Elevation in designation from Vice President - Sales to Chief Operating Officer (COO) -Telecom |
| Mr. Sathya Seelan T | Head - ICT - Technical & Operations         | March 04, 2026                           | Resignation                                                                                    |
| Mr. Sunil Jayam     | Business Head - Energy                      | April 07, 2026                           | Resignation                                                                                    |
| Mr. Himanshu Goyal  | Head-Energy, Projects & Operations          | April 22, 2026                           | Designated as SMP                                                                              |
| Mr. Nishant Raj     | Vice President-Commercial (Energy Business) | April 22, 2026                           | Designated as SMP                                                                              |

## Changes in the Key Managerial Personnel and Senior Management

Changes in the Key Managerial Personnel and Senior Management in the last 3 years:

| Name                         | Designation                                  | Date of appointment / change / cessation | Reasons                                                 |
|------------------------------|----------------------------------------------|------------------------------------------|---------------------------------------------------------|
| Bhaskara Rao Y               | AVP - Product Services                       | June 30, 2025                            | Resigned as AVP - Product Services                      |
| Krishna Murthy               | Head - HR and Admin                          | June 23, 2025                            | Appointment as Head - HR and Admin                      |
| Praveen Shashidhar Hebbalkar | Group Head - SCM                             | October 30, 2024                         | Appointment as Group Head - SCM                         |
| Meghana M P                  | Company Secretary and Compliance Officer     | October 16, 2024*                        | Appointment as Company Secretary and Compliance Officer |
| P Rajavendhan                | Chief Finance Officer                        | October 16, 2024*                        | Appointment as Chief Finance Officer                    |
| Sunil Jayam                  | Business Head - Energy                       | September 04, 2024                       | Appointment as Business Head - Energy                   |
| Bhaskara Rao Y               | AVP - Product Services                       | September 01, 2024                       | Appointment as AVP - Product Services                   |
| Alok Singhal                 | Vice President - Sales                       | September 01, 2024                       | Appointment as Senior Vice President (SVP) - Sales      |
| Prafull Ranjan Singh         | Head - Projects and Operations               | June 17, 2024                            | Head- Projects & Operations (Telecom)                   |
| Sathya Seelan T              | Head - ICT - Technical & Operations          | January 03, 2024                         | Appointment as Head - ICT - Technical & Operations      |
| Alok Singhal                 | Chief Operating Officer (COO) -Telecom       | February 06, 2026                        | Elevation in designation                                |
| Sathya Seelan T              | Head - ICT - Technical & Operations          | March 04, 2026                           | Resignation                                             |
| Sunil Jayam                  | Business Head - Energy                       | April 07, 2026                           | Resignation                                             |
| Himanshu Goyal               | Head-Energy, Projects & Operations           | April 22, 2026                           | Designated as SMP                                       |
| Nishant Raj                  | Vice President- Commercial (Energy Business) | April 22, 2026                           | Designated as SMP                                       |

\*Date Designated as Key Managerial Personnel

## SUBSIDIARY COMPANY:

The Company has the following Subsidiary Companies

1. Lineage Power Private Limited
2. Pace Renewable Energies Private Limited
3. Inso Pace Private Limited
4. Transgreenx Energy Private Limited
5. Lineage Defence and Aerospace Private Limited
6. Pace Ecoplanet Solace Private Limited
7. Lineage Power Holdings (Singapore) Pte Ltd
8. Lineage Power (Myanmar) Limited

## Policy for Material Subsidiary:

The policy to determine the material subsidiary is available on the Company's website which can be accessed at <https://www.pacedigitek.com/pdf/Governance/Policies/05-Policy-for-determining-Material-Subsidiaries.pdf>.

## Material Subsidiary:

Lineage Power Private Limited is the material subsidiary of the Company which was incorporated on June 29, 2010 at Bangalore.

M/s. SS Kothari and Mehta LLP were appointed as the Statutory Auditors on September 30, 2025

## CHAIRMAN & MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

As required under **Regulation 17** read with Part B of Schedule II of the Listing Regulations, the MD and CFO certification on the Financial Statements, the Cash Flow Statement, and the Internal Control Systems for financial reporting has been obtained from Mr. Venugopalrao Maddisetty, Chairman and Managing Director, Mr. Rajavendhan P, Chief Financial Officer and the certificate forms part of this report.

## MEANS OF COMMUNICATION

The Company recognises the importance of two-way communication with members and of giving a balanced reporting of results and progress. Full and timely disclosure of information regarding the Company's financial position and performance is an important part of your Company's corporate governance ethos.

The Company follows a robust process of communicating with its stakeholders, security holders and investors through multiple channels of communications such as dissemination of information on the website of the Stock Exchanges, Press Releases, the Annual Reports and uploading relevant information on its website.

## A. Financial Results:

The Company's quarterly/half-yearly/annual financial results are sent to the Stock Exchanges and published

in 'Financial Express' and 'Udayakala'. They are also available on the website of the Company.

**B. Website:**

The financial results and the official news releases are also placed on the website, which can be accessed at <https://www.pacedigitek.com/investor-relations>.

The Company has a dedicated email ID: [complianceofficer@pacedigitek.com](mailto:complianceofficer@pacedigitek.com) and [investor.relations@pacedigitek.com](mailto:investor.relations@pacedigitek.com) in the Compliance Team for providing necessary information/assistance to the investors.

**C. Press Releases and Analysts/Investors' Presentations:**

In addition to the above, after the announcement of results, the Company holds conference calls with investors/analysts. The transcript of the said conference call if any, is uploaded on the Company's website, which can be accessed at <https://www.pacedigitek.com/investor-relations>.

**D. Official news release:**

The Company does publish any official news releases in terms of Schedule V Point C (8)(d) of SEBI (Listing

Obligations and Disclosure Requirements) 2015 if any, on the Company's website, which can be accessed at <https://www.pacedigitek.com/investor-relations>.

**E. Annual Report:**

Annual Report containing audited financial statements together with Board's Report, Auditors' Report and other reports/information are circulated to members entitled thereto and is also made available on the Company website, which can be accessed at <https://www.pacedigitek.com/investor-relations>.

In terms of the circular issued by the Ministry of Corporate Affairs, as a Green Initiative and pursuant to Section 101 and Section 136 of the Act, read with relevant Companies (Management and Administration Rules), 2014, and Regulation 36 of SEBI (Listing Obligation Disclosures Requirement) Regulation, 2015 ("SEBI Listing Regulations"), soft copy of the Annual Report including the Notice of Annual General Meeting and the Board's Report for the Financial Year 2025-26 would be circulated to the respective e-mail IDs registered and available in Company's records, wherever available. Members of the Company, who have registered their email address, are entitled to receive such communication in physical form upon request only.



## GENERAL SHAREHOLDER INFORMATION

### A. Annual General Meeting:

The AGM shall be held on September 21, 2026 through Video Conferencing/ Other Audio Visual Means as set out in the Notice convening the Annual General Meeting. Deemed venue of the meeting is the Registered Office of the Company

As required under Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard 2 on General Meetings, particulars of Directors seeking re-appointment at ensuing AGM are given in the Annexure to the notice of ensuing AGM.

### B. Financial Year:

The Financial Year of the Company is for a period of 12 months from April 01 to March 31.

### C. Dividend payment Date:

Not Applicable. The Board does not recommend any dividend for the Financial Year ended March 31, 2026 considering that the company is in growth stage and require funds to support its growth objectives.

### D. Listing on Stock Exchanges:

Equity Shares of the Company are listed on the following Stock Exchanges:

| Name of the Stock Exchange               | CIN                   | Scrip Code | Address                                                                                |
|------------------------------------------|-----------------------|------------|----------------------------------------------------------------------------------------|
| BSE Limited                              | L31909KA2007PLC041949 | 544550     | 20 <sup>th</sup> Floor, P.J. Towers,<br>Dalal Street,<br>Mumbai - 400001.              |
| National Stock Exchange of India Limited |                       | PACEDIGITK | Exchange Plaza, C-1, Block G,<br>Bandra Kurla Complex, Bandra (E),<br>Mumbai - 400 051 |

### E. Payment of Listing Fees:

Annual listing fees for the FY 2025-26 has been paid by the Company to BSE Limited and National Stock Exchange of India Limited.

### F. Market Price Data:

The market price data and volume of the Company's shares traded in the BSE Limited and the National Stock Exchange of India Limited, during the Financial Year 2025-26 were as follows:

| Month         | National Stock Exchange of India Limited (NSE) |                 |              | BSE Limited (BSE) |                 |              |
|---------------|------------------------------------------------|-----------------|--------------|-------------------|-----------------|--------------|
|               | High Price (INR)                               | Low Price (INR) | Volume (No.) | High Price (INR)  | Low Price (INR) | Volume (No.) |
| October 2025  | 202                                            | 118             | 236,804      | 232.20            | 203.60          | 1,51,568     |
| November 2025 | 230                                            | 206             | 32,566,175   | 230.00            | 206.60          | 31,120       |
| December 2025 | 218                                            | 183             | 16,417,045   | 218.00            | 183.10          | 17,109       |
| January 2026  | 203                                            | 160             | 18,004,540   | 202.45            | 160.15          | 13,388       |
| February 2026 | 203                                            | 164             | 21,944,559   | 202.85            | 164.65          | 17,090       |
| March 2026    | 174                                            | 140             | 12,120,733   | 174.50            | 139.50          | 10,175       |

(Note: The equity shares of the Company were listed on NSE and BSE with effect from October 06, 2025)

### G. Suspension of Trading: The securities of the Company have never been suspended from trading.

### H. Registrar and Share Transfer Agent:

#### MUFG Intime India Private Limited

(Formerly known as Link Intime India Private Limited)

C-101, 1<sup>st</sup> Floor 247 Park,

L.B.S. Marg Vikhroli West

Mumbai 400 083

Maharashtra, India

Tel: +91 81 0811 4949

E-mail: [rnt.helpdesk@in.mpms.mufg.com](mailto:rnt.helpdesk@in.mpms.mufg.com)

Website: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)

**I. Share Transfer System:**

As on March 31, 2026, the shares of the Company are fully dematerialized.

The following compliances pertaining to share transfers, grievances, etc. are compiled by the Company:

- Pursuant to Regulation 13 of the SEBI Listing Regulations, a statement on pending investor complaints is filed with the stock exchanges and placed before the Board of Directors on a quarterly basis.
- Pursuant to Regulation 40(9) of the SEBI Listing Regulations, the Company obtained the yearly certificate from a Practicing Company Secretary certifying that, the RTA has issued all share certificates within 30 days of the date of lodgment for transfer, subdivision, consolidation, renewal, exchange or endorsement of

calls/allotment monies and this certificate is simultaneously filed with the Indian Stock Exchanges pursuant to Regulation 40(10) of the SEBI Listing Regulations. For the Financial Year ended March 31, 2026, the Company has filed this certificate within the prescribed time limit.

**J. Investors' Grievances:**

The Registrar and Transfer Agent under the supervision of the Compliance Team of the Company look after investors' grievances. MUFG Intime India Private Limited is responsible for redressal of Investors' Grievances. The Company Secretary of the Company has been appointed as the Compliance Officer for this purpose. At Meeting of the Stakeholders' Relationship Committee, all matters pertaining to investors including their grievances and redressal will be reported.

**K. Distribution of Shareholding (as on March 31, 2026):**

| SR. NO.      | CATEGORY (NUMBER OF SHARES) |    |           | NUMBER OF SHAREHOLDERS | PERCENTAGE OF SHAREHOLDERS | NUMBER OF SHARES | % OF TOTAL EQUITY |
|--------------|-----------------------------|----|-----------|------------------------|----------------------------|------------------|-------------------|
| 1            | 1                           | to | 500       | 73162                  | 92.6254                    | 6487987          | 3.0058            |
| 2            | 501                         | to | 1000      | 2827                   | 3.5791                     | 2228370          | 1.0324            |
| 3            | 1001                        | to | 2000      | 1313                   | 1.6623                     | 1989506          | 0.9217            |
| 4            | 2001                        | to | 3000      | 445                    | 0.5634                     | 1136268          | 0.5264            |
| 5            | 3001                        | to | 4000      | 177                    | 0.2241                     | 636911           | 0.2951            |
| 6            | 4001                        | to | 5000      | 211                    | 0.2671                     | 994725           | 0.4608            |
| 7            | 5001                        | to | 10000     | 306                    | 0.3874                     | 2243833          | 1.0395            |
| 8            | 10001                       | to | 431702654 | 546                    | 0.6913                     | 200133727        | 92.7183           |
| <b>Total</b> |                             |    |           | <b>78987</b>           | <b>100</b>                 | <b>215851327</b> | <b>100</b>        |

**L. Dematerialization of Shares and Liquidity**

The equity shares of the Company are available under the dematerialized form with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

The Company's equity shares are compulsorily traded in dematerialized form.

As on March 31, 2026, all the equity shares are in dematerialized form. The Company confirms that the promoters' holdings were continued to be in electronic form and the same is in line with the circulars issued by SEBI.

**M Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion date and likely Impact on Equity:**

During the Financial Year 2025-26, the Company has not issued Global Depository Receipts (GDR) or American Depository Receipts (ADR) or Warrants or any Convertible Instruments.

**N. Commodity Price Risk/Foreign Exchange Risk and Hedging activities**

The Company is currently not exposed to any significant commodity price or foreign exchange risks requiring hedging arrangements. However, as a part of its evolving risk management framework, the Company is in the process of formulating and implementing a comprehensive Hedging Policy to address potential exposures, if any, in the future.

**O. Manufacturing Facilities:**

**Unit I:** Plot No. 27A, 1<sup>st</sup> Phase, Industrial Estate Mysore Road, Kumbalgodu, Bengaluru, Karnataka

**Unit II:** Plot No. 30 A-1, 1<sup>st</sup> Phase, Industrial Estate, Mysore Road, Kumbalgodu, Bengaluru, Karnataka

**Unit III:** 73-P, Bidadi Industrial Area, 2<sup>nd</sup> Phase, Sector-2, Bidadi, Karnataka

**P. Address for correspondence:**

Shareholders may correspond with the Company at the Registered Office of the Company or at the office of Registrars and Transfer Agents of the Company:

**Pace Digitek Limited**

Plot # V – 12 Industrial Estate,  
Kumbalgodu, Bengaluru – Mysore Highway,  
Bengaluru, Karnataka – 560074, India

**Telephone:** 080-29547792

**E-mail:** [complianceofficer@pacedigitek.com](mailto:complianceofficer@pacedigitek.com)

**Website:** [www.pacedigitek.com](http://www.pacedigitek.com)

**MUFG Intime India Private Limited**

(Formerly known as Link Intime India Private Limited)

C-101, 1<sup>st</sup> Floor 247 Park,  
L.B.S. Marg Vikhroli West  
Mumbai 400 083  
Maharashtra, India

**Tel:** +91 81 0811 4949

**E-mail:** [rnt.helpdeskein.mpms.mufig.com](mailto:rnt.helpdeskein.mpms.mufig.com)

**Website:** [www.in.mpms.mufig.com](http://www.in.mpms.mufig.com)

**Q. Transfer of unclaimed / unpaid amounts to the Investor Education and Protection Fund:**

Unpaid / Unclaimed Dividends in accordance with the provisions of Sections 124 and 125 of the Act and Investor Education and Protection Fund (Accounting, Audit, Transfer and Refund) Rules, 2016 (IEPF Rules) dividends not encashed / claimed within seven years from the date of declaration are to be transferred to the Investor Education and Protection Fund (IEPF) Authority. The IEPF Rules mandate companies to transfer shares of Members whose dividends remain unpaid / unclaimed for a continuous period of seven years to the demat account of IEPF Authority. The Members whose dividend / shares are transferred to the IEPF Authority can claim their shares / dividend from the Authority.

The Company has no unclaimed dividend which is required to be transferred under the aforesaid provisions.

**R. List of all credit ratings obtained by the entity:**

**M/s. Crisil Ratings Limited** has provide the credit rating of **M/s. Pace Digitek Limited (the "Company")** dated December 08, 2025 is as under:

|                   |                                                          |
|-------------------|----------------------------------------------------------|
| Rating Agency     | Crisil Rating Limited                                    |
| Total Bank Loan   | Rs.1000 Crore                                            |
| Facilities Rated  |                                                          |
| Long Term Rating  | Crisil A-/Stable<br>(Upgraded from 'Crisil BBB+/Stable') |
| Short Term Rating | Crisil A2+ (Upgraded from 'Crisil A2')                   |

**S. Code of Conduct:**

As required under the Listing Regulations, the Company has in place a Code of Conduct applicable to the Board Members as well as the Senior Management Personnel and that the same has been hosted on the Company's website. The code of conduct was approved by the Board of Directors of the Company on January 07, 2025. All the Board Members and the Senior Management Personnel have affirmed compliance with the Code of Conduct, as on March 31, 2026.

In accordance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has, inter-alia, adopted a Code of Conduct for Prohibition of Insider Trading Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Code) duly approved on January 07, 2025.

As per the above Code, Ms. Meghana MP is the Compliance Officer.

**T. Requirements under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are complied with.**

The Company confirms the same.

**U. Debenture Trustees**

Not Applicable.

**V. Where the board had not accepted any recommendation of any committee of the board, which is mandatorily required in the relevant Financial Year, the same to be disclosed along with reasons thereof:**

Not applicable.

**W. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:**

- b) No. of POSH complaints filed during the year: Nil
- c) No. of POSH complaints disposed of during the year: Nil
- d) No. of POSH complaints pending at the end of the year: Nil

**OTHER DISCLOSURES**

**A. Disclosure on materially significant related party transactions that may have potential conflict with the Company's interests at large**

Transactions with related parties, as per requirements of Indian Accounting Standard 24, are disclosed in the notes to accounts

annexed to the financial statements. Further, the Company has not entered into any transaction of a material nature with the Promoters, subsidiaries of Promoters, Directors or their relatives, etc. that may have potential conflict with the interests of the Company at large.

All the transactions with related parties were in the ordinary course of business and on an arm's length basis. In terms of Regulation 23 of Listing Regulations, the Company obtains prior approval of the Audit Committee for entering into any transaction with related parties. As per SEBI Circular dated November 09, 2021.

The Company's Policy on Materiality of Related Party Transactions and on dealing with Related Party Transactions is available on the website of the Company which can be accessed at <https://www.pacedigitek.com/investor-relations>.

**B. Details of non-compliance by the Company, penalties, strictures imposed on the Company by stock exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years**

The Company has complied with the requirements of the Stock Exchanges, SEBI and Statutory Authorities on all matters related to the capital markets during the last three years. The company has filed a suo-motu application on 08.01.2025 regarding non-compliance of section 135(5) of the Act wherein it was submitted that the company had CSR obligations for the FY 2020-21, 2021-22, 2022-23 and 2023-24 which the company had failed/shortfall to spend within the prescribed time, and also did not transfer it to fund specified in Schedule-VII within 6 months of end of financial year.

**Penalty amounts pursuant to RoC Adjudication order**

| FY      | Company        | Venugopal Rao Maddisetty |
|---------|----------------|--------------------------|
| 2020-21 | INR. 14,79,394 | INR. 73,970              |
| 2021-22 | INR. 17,91,196 | INR. 89,560              |
| 2022-23 | INR. 0         | INR. 0                   |
| 2023-24 | INR. 20,56,000 | INR. 1,02,800            |

**C. Details of establishment of vigil mechanism/ whistle blower policy affirmation**

The Vigil Mechanism as envisaged in the Act and the Rules prescribed thereunder and the SEBI Listing Regulations is implemented through the Code of Conduct, Whistle-blower and other Governance Policies and the Vigil Mechanism frameworks.

The Whistle-blower Policy has an established reporting mechanism for Stakeholders to report

concerns about unethical behaviour, actual or suspected fraud, or violation of the Code, including insider trading violations and reporting instances of leak of UPSI by the employees. Under the Vigil Mechanism, the employees are encouraged to voice their concerns and all stakeholders have been provided access to the Audit Committee through the Chairperson. No personnel have been denied access to the Audit Committee. The Policy provides for adequate safeguards against victimisation of persons who use the mechanism.

During the course of the year the Vigil framework and systems for timely and conclusive resolution of compliance concerns have been standardised and further strengthened.

The Whistle-blower Policy of the Company is available on the website of the Company and can be accessed at <https://www.pacedigitek.com/investor-relations>.

**D. Web link where policy on dealing with related party transactions:**

In line with the requirements of the Act and the SEBI

Listing Regulations, the Company has formulated a policy on Related Party Transactions ('RPT Policy') which can be accessed on the Company's website <https://www.pacedigitek.com/investor-relations/governance>.

**E. Certification from Company Secretary in Practice:**

A certificate has been received from Pramod S, Practicing Company Secretary, that none of the Directors on the Board of the Company has been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

In accordance with SEBI Circular dated February 8, 2019 and Regulation 24A of SEBI Listing Regulations, the Company has obtained an Annual Secretarial Compliance Report from Pramod S, Practicing Company Secretary, confirming compliances with applicable SEBI Regulations, circulars and guidelines for the year ended March 31, 2026.

**F. Details of Compliance with Mandatory Requirements and Adoption of the Non-Mandatory Requirements under the Listing Regulations:**

During the Financial Year 2025-26, the Company has fully complied with the mandatory requirements as stipulated in Listing Regulations.



**G. Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A):**

Not applicable.

**H. The disclosures of the compliance with corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46:**

The Board hereby confirms that it has complied with all the corporate governance requirements specified in **regulations 17 to 27** and clauses (b) to (i) of sub regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) 2015.

**I. Disclosures with respect to Demat Suspense Account/Unclaimed Suspense Account:**

During the year under review, the Company does not have any Demat Suspense Account/Unclaimed Suspense Account.

**J. Disclosure of certain types of agreements binding listed entities under clause 5A of paragraph A of Part A of Schedule III of Listing Regulations:**

Nil

**K. Disclosure by the Listed Entity and its Subsidiaries of 'Loans and Advances in the Nature of Loans to Firms/Companies in which Directors are Interested' by Name and Amount:**

The details of the same is covered under Note Number 9 of the Standalone Financial Statements of the Company.

**L. Reconciliation of Share Capital Audit Report:**

A Company Secretary-in-Practice carries out a Reconciliation of Share Capital Audit on a quarterly basis, as per Regulation 76 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 read with SEBI Circular No. D&CC/FITTC/Cir-16/2002 dated 31 December 2002, to reconcile the total admitted capital with depositories viz National Securities Depository Limited ('NSDL') and Central Depository Services Limited ('CDSL') and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in dematerialized form (held with NSDL and CDSL).

**M. NON-COMPLIANCE OF REGULATIONS RELATING TO CORPORATE GOVERNANCE UNDER SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015, IF ANY**

All the requirements of Corporate Governance Report of sub paragraphs (2) to (10) Para C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been duly complied with.

**N. CERTIFICATE ON CORPORATE GOVERNANCE**

A compliance certificate from Secretarial Auditor pursuant to the requirements of Schedule V to SEBI Listing Regulations regarding compliance of conditions of Corporate Governance is attached as Annexure-9.

The above Report was placed before the Board at its meeting held on May 25, 2026 and the same was taken note.

**O. DISCLOSURE OF ACCOUNTING TREATMENT**

The Financial Statements have been prepared in accordance with Indian Accounting Standard (Ind AS) prescribed under Section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. The significant accounting policies which are consistently applied have been set out in the notes to the Financial Statements.

**P. DISCRETIONARY REQUIREMENTS (SCHEDULE II PART E OF THE SEBI LISTING REGULATIONS)**

The Company strives to adhere and comply with the following discretionary requirements specified under Regulation 27(1) and Part E of the Schedule II of SEBI Listing Regulations, to the extent applicable.

**Q. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES**

During the Financial Year under review, the Company adhered to comprehensive Code of Conduct for prevention of Insider Trading for its Promoters, Directors, Key Managerial Personnel and Connected Persons. The Code aims to ensure monitoring, timely reporting and adequate disclosure of price sensitive information by the Promoters, Directors, Key Managerial Personnel and Connected Persons. It also aims to bring transparency and fairness in dealing with the stakeholders and also ensuring the adherence to all applicable laws and regulations. This Code lays down the guidelines, through which it advises

on procedures to be followed and disclosures to be made, while dealing with shares of the Company. The Code has been made available on the website of the Company.

**R. Total fees for all services paid by the listed entity and its subsidiaries, on a consolidated basis, to the statutory auditor and all entities in the network firm/network entity of which the statutory auditor is a part**

The total Audit Fees for the Financial Year 2025-26 amounts to Rs. 9.00 Million

**S. Unmodified opinion(s) in audit report**

The Statutory Auditors have issued an unmodified opinion on the financial statements of the Company.

**For and on behalf of the Board of Directors**

**For PACE DIGITEK LIMITED**

*[Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited]*

Sd/-

**Venugopalrao Maddisetty**

Chairman & Managing Director

DIN: 02070491

Date: May 25, 2026

Place: Bengaluru

Sd/-

**Padma Venugopal Maddisetty**

Whole Time Director

DIN: 02070662

## **Certificate pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

To,  
The Members,  
PACE DIGITEK LIMITED  
CIN: L31909KA2007PLC041949  
Plot # V 12, Industrial Estate, Kumbalgodu,  
Bangalore Mysore Highway, Bangalore,  
Karnataka, India, 560074

I have examined the relevant registers, records, forms and returns filed, notices and disclosures received from the Directors, minutes books, other books and papers of PACE DIGITEK LIMITED having CIN L31909KA2007PLC041949 and having registered office at Plot # V 12, Industrial Estate, Kumbalgodu, Bangalore Mysore Highway Bangalore - 560074, Karnataka India (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'the LODR'), as amended from time to time.

In my opinion and to the best of my information and according to the verifications (including DIN status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company, its officers and Management Representation Letter of even date, I hereby certify that none of the Directors who were on the Board of the Company as on 31<sup>st</sup> March, 2026 have been debarred or disqualified from being appointed or continuing as Directors of the Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any other Statutory Authority.

Ensuring the eligibility of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification.

I have conducted necessary verification as much as is appropriate to obtain reasonable assurance about the eligibility or disqualification of the Directors on the Board of the Company.

This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**Pramod S.**

**Practicing Company Secretary**

ACS: 36020; CP No.: 13335

Place : Bengaluru  
Date : May 25, 2026

Peer Reviewed Unit: 1491/2021  
ICSI UDIN: A036020H000474656

## Annexure - 9

# CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE

Pursuant to Regulation 34(3) and Schedule V Para E of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members,  
PACE DIGITEK LIMITED  
CIN: L31909KA2007PLC041949  
Plot # V 12, Industrial Estate, Kumbalgodu,  
Bangalore Mysore Highway, Bangalore,  
Karnataka, India, 560074

I have examined the compliance of the conditions of Corporate Governance by PACE DIGITEK LIMITED ('the Company') for the year ended on March 31, 2026, as stipulated under Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and para-C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations").

The Compliance with the conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to the review of procedures and implementation thereof, as adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, and the representations made by the Directors and the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the year ended on March 31, 2026.

I further state that such compliance is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Sd/-

**Pramod S.**

**Practicing Company Secretary**

ACS: 36020; CP No.: 13335

Place: Bengaluru  
Date: May 25, 2026

Peer Reviewed Unit: 1491/2021  
ICSI UDIN: A036020H000474315



## COMPLIANCE CERTIFICATE

Pursuant to Regulation 33 (2a) of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, we have reviewed the **Financial Results** for the **Year Ended** on **March 31, 2026** and that to the best of our knowledge and belief, we hereby certify that:

1. These statements/results do not contain any false or misleading statement or materially untrue statement or figures and do not omit any material fact which may make the statement or figures contained therein misleading.
2. These statements/results together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.

Sd/-

**Venugopalrao Maddisetty**

Chairman and Managing Director

DIN: 02070491

Sd/-

**Rajavendhan P**

Chief Financial Officer

Date: May 25, 2026

Place: Bengaluru

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## DECLARATION

Pursuant to **Regulation 34(3)** and **Schedule V** of the Listing Regulations, all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Company's Code of Business Conduct for the **Financial Year ended March 31, 2026**.

Sd/-

**Venugopalrao Maddisetty**

Chairman and Managing Director

DIN: 02070491

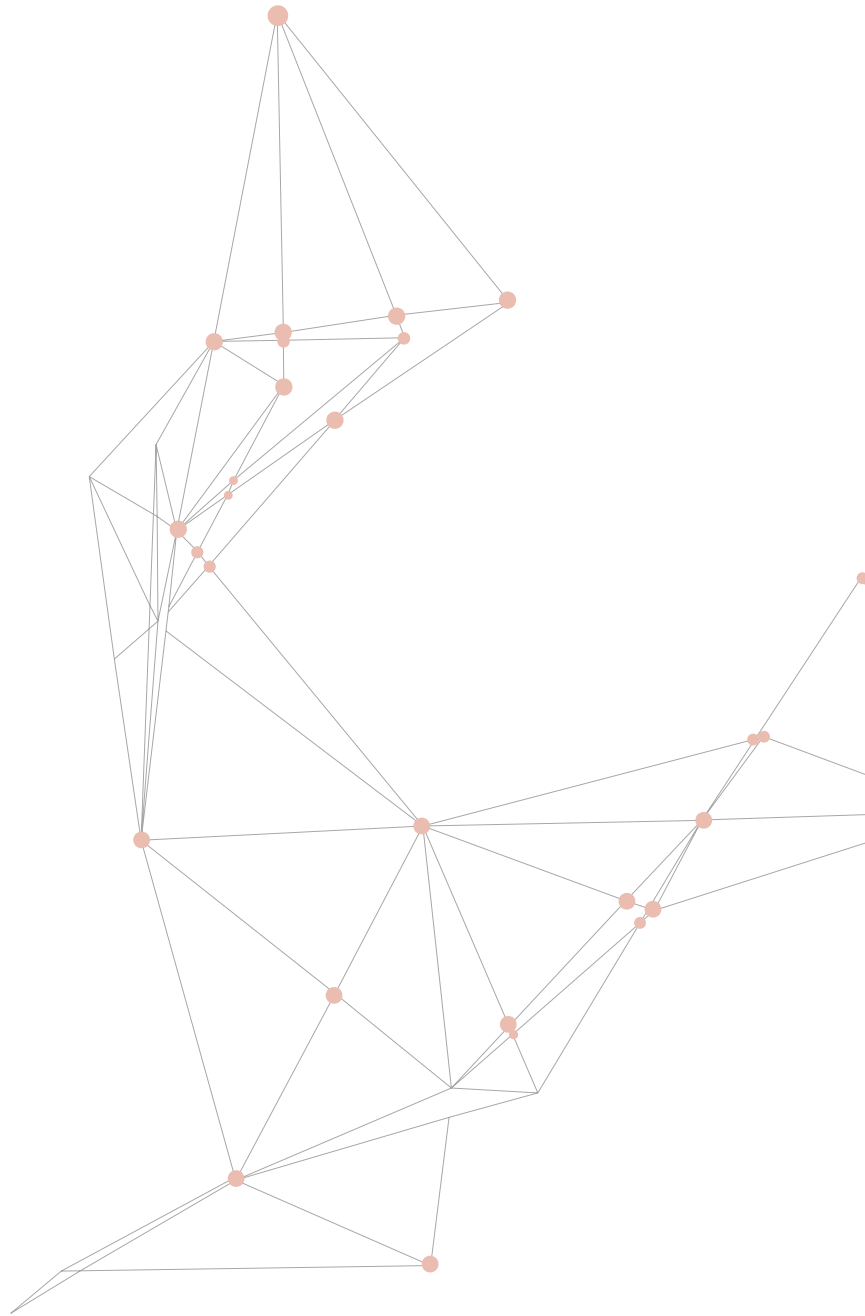
Sd/-

**Rajavendhan P**

Chief Financial Officer

Date: May 25, 2026

Place: Bengaluru



# Standalone Financial Statements

# Independent Auditor's Report

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

## Report on the Audit of the Standalone Financial Statements

### Opinion

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2026, and its profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

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

### Key Audit Matter

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

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                            | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Estimation of contract cost and revenue recognition :</b><br>The Company's revenue is primarily from Engineering Procurement and Construction (EPC) contracts. Due to the nature of the contracts, revenue is recognized based on percentage of completion method which is determined based on proportion of contract costs incurred to date compared to estimated total contract costs. | <b>Our audit procedures included the following:</b><br>Our procedures in respect of recognition of Engineering Procurement and Construction (EPC) contract revenue and related cost included the following: <ol style="list-style-type: none"> <li>1) Understood and evaluated the design and tested the operating effectiveness of key internal financial controls, including those related to estimation of EPC contract costs, contract revenue and review and approval thereof.</li> <li>2) Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers".</li> </ol> |

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                            |
|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>We considered the estimation of EPC contracts revenue and related cost as a key audit matter given the following:</p> <ul style="list-style-type: none"> <li>There is an inherent risk and a presumed risk of fraud in revenue recognition, considering also the complex nature of the customer contracts; and</li> <li>Complexities involved and significant Management judgement in making forecasts of future cost to complete the contract taking into account future activities to be performed in the contract, additional costs to be incurred, which has a consequential impact on the amount of revenue recognised, variable consideration recognised as revenue and the significance of these amounts to the standalone financial statements.</li> </ul> | <p>3) For selected sample of contracts, performed the following procedures:</p> <ul style="list-style-type: none"> <li>(a) Obtained and examined project related documents such as contracts, customer communications and price or scope variation orders.</li> <li>(b) Obtained the percentage of completion calculations, agreed key contractual terms with customer contracts/ communication, tested the mathematical accuracy of the cost to complete calculations and re-performed the calculation of revenue recognised during the year based on the percentage of completion.</li> <li>(c) Verified relevant supporting documents and performed cut off procedures for EPC contract related costs incurred through the reporting period. Evaluated Management's assessment of recognising revenue for claims, price or scope variations by reviewing the contractual terms and client communications. Physically visited the EPC contracts sites.</li> <li>(d) Evaluated the reasonableness of key assumptions included in the estimated total EPC contract related costs.</li> <li>(e) Tested trade receivables, contract assets and contract liability balances based on the status of specific contracts, considering the billing done, revenue recognised and advances received from customer, if any, through the reporting date.</li> <li>(f) Performed analytical procedures and conducted inquiries about any unusual trends of revenue recognition and cost.</li> </ul> <p>4) Assessed the adequacy of presentation and related disclosures in the standalone financial statements.</p> |

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

The Company's Management and board of directors are responsible for the other information. The other information comprises the information included in the Annual Report, but does not include the standalone financial statements and our auditor's report thereon. The Annual Report is expected to be made available to us after the date of this auditor's report.

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

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

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

### Responsibilities of the Management and Board of Director for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial



statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and the Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

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

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

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.

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

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

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

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

### Report on Other Legal and Regulatory Requirements

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

2. As required by section 143(3) of the Act, to the extent applicable, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matter stated in paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under section 133 of the Act;
  - (e) On the basis of the written representations received from the directors as on April 22, 2026 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
  - (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B" to this report. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls with reference to standalone financial statements.
  - (h) In our opinion, and according to the information and explanations given to us, the remuneration paid/provided by the Company to its directors during the year is in accordance with the provisions of section 197 read with Schedule V of the Act; and
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations as at March 31, 2026 on its financial position in its standalone financial statements - refer note no. 48(b) of notes to the standalone financial statements.
    - ii. The Company did not have any long-term contracts, including derivative contracts for which there were any material foreseeable losses;
    - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Company.
    - iv. a) The management has represented that, to the best of its knowledge and belief, as disclosed in note - 47(e) of notes to the standalone financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
    - b) The management has represented, that, to the best of its knowledge and belief, as disclosed in note - 47(f) of notes to the standalone financial statements, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company shall, whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Parties

("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries; and

- c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv(a) and iv(b) above contain any material misstatement.
- v. The Company has not declared or paid any dividend during the year ended March 31, 2026.
- vi. Based on our examination, which included test checks, the Company has maintained its books of account using accounting software that did not have the functionality

to record an audit trail (edit log) for all relevant transactions throughout the year. Accordingly, we are unable to comment on the adequacy of the audit trail feature in the said software along with the preservation in accordance with the statutory requirements.

**For S S Kothari Mehta & Co. LLP**

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

Sd/-

**AMIT GOEL**

Partner

Date: May 25, 2026

Place: Bangalore

Membership No. 500607

UDIN: 26500607OTHUGQ9583

## Annexure A

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

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

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

| Quarter ending           | Value per books of accounts<br>(₹in million) - A | Value per quarterly return/<br>statement<br>(₹in million) - B | Variance (A-B)<br>(₹in million) |
|--------------------------|--------------------------------------------------|---------------------------------------------------------------|---------------------------------|
| <b>Trade receivables</b> |                                                  |                                                               |                                 |
| June 30, 2025            | 18,302.45                                        | 17,071.70                                                     | 1,230.75                        |
| September 30, 2025       | 15,866.22                                        | 15,866.20                                                     | 0.02                            |
| December 31, 2025        | 22,480.63                                        | 22,480.60                                                     | 0.03                            |
| March 31, 2026           | 15,996.09                                        | 15,996.10                                                     | (0.01)                          |
| <b>Trade Payables</b>    |                                                  |                                                               |                                 |
| June 30, 2025            | 10,847.10                                        | 5,694.30                                                      | 5,152.80                        |
| September 30, 2025       | 11,655.67                                        | 11,655.70                                                     | (0.03)                          |
| December 31, 2025        | 12,061.05                                        | 12,061.10                                                     | (0.05)                          |
| March 31, 2026           | 13,141.84                                        | 13,141.80                                                     | 0.04                            |

| Quarter ending     | Value per books of accounts<br>(₹in million) - A | Value per quarterly return/<br>statement<br>(₹in million) - B | Variance (A-B)<br>(₹in million) |
|--------------------|--------------------------------------------------|---------------------------------------------------------------|---------------------------------|
| <b>Inventory</b>   |                                                  |                                                               |                                 |
| June 30, 2025      | 611.37                                           | 613.20                                                        | (1.83)                          |
| September 30, 2025 | 777.29                                           | 777.30                                                        | (0.01)                          |
| December 31, 2025  | 541.71                                           | 541.70                                                        | 0.01                            |
| March 31, 2026     | 724.56                                           | 724.60                                                        | (0.04)                          |
| <b>Revenue</b>     |                                                  |                                                               |                                 |
| June 30, 2025      | 3,396.65                                         | 2,225.90                                                      | 1,170.75                        |
| September 30, 2025 | 3,421.11                                         | 4,591.80                                                      | (1,170.69)                      |
| December 31, 2025  | 5,419.95                                         | 5,419.90                                                      | 0.05                            |
| March 31, 2026     | 4,870.36                                         | 4,870.40                                                      | (0.04)                          |

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

(₹In million)

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

\*Refer note no 42 to the standalone financial statement

- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, in our opinion the investments made, security and guarantee provided and the terms and conditions of the grant of loans, security and guarantees provided during the year are, prima facie, not prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in respect of the loans granted to subsidiary which is repayable on demand and has been disclosed as per clause 3(iii)(f) below. In respect of this unsecured loans, the Company has not demanded repayment of loan. Further, the Company has not granted advances in the nature of loans to companies, firms, Limited Liability Partnerships or any other parties.
- (d) According to the information and explanations given to us and on the basis of our examination of the records of the Company, we are informed that the Company has not demanded the repayment of the unsecured loans granted to subsidiary, hence, there is no overdue amount remaining outstanding as at the balance sheet date. The Company has not provided advances in the nature of loans.
- (e) According to the information and explanations given to us and on the basis of our examination of the records of the Company, no loan or advance in the nature of loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties. Accordingly, the requirement to report on clause 3(iii)(e) of the Order is not applicable to the Company.



- (f) According to the information and explanations given to us and on the basis of our examination of the records of the Company, in our opinion the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment except for the following loan to its related party as defined in Clause (76) of Section 2 of the Act.

| Particulars                                                                  | All Parties | Promoters | Related parties |
|------------------------------------------------------------------------------|-------------|-----------|-----------------|
| Aggregate amount of loans/ advances in nature of loans – Repayable on demand | 428.93      | -         | 428.93          |
| Percentage of loans/ advances in nature of loans to the total loans          | 100%        | -         | 100%            |

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

| Name of the Statute | Nature of dues | Amount (₹ in Million) | Amount paid under protest (₹ in Million) | Period to which amount relates | Forum where dispute is pending                    |
|---------------------|----------------|-----------------------|------------------------------------------|--------------------------------|---------------------------------------------------|
| VAT / Sales Tax     | Vat Demand     | 7.65                  | 2.55                                     | FY 2008-2009                   | Commercial Tax Officer (Audit) Bangalore.         |
| VAT / Sales Tax     | Vat Demand     | 3.87                  | 1.16                                     | FY 2009-2010                   | Asst. Commissioner of Commercial Taxes, Bangalore |
| VAT / Sales Tax     | Vat Demand     | -                     | 1.77                                     | FY 2015-2016                   | Joint Commissioner, Central (Appeals), Patna      |
| VAT / Sales Tax     | Vat Demand     | 3.87                  | 1.17                                     | FY 2016-17                     | Joint Commissioner, Central (Appeals), Patna      |
| VAT / Sales Tax     | Vat Demand     | 1.22                  | -                                        | FY 2013-2014                   | Deputy Commissioner, West Circle, Ranchi          |
| VAT / Sales Tax     | Vat Demand     | 2.72                  | -                                        | FY 2014-2015                   | Deputy Commissioner, West Circle, Ranchi          |
| VAT / Sales Tax     | Vat Demand     | 8.59                  | -                                        | FY 2014-2015                   | Deputy Commissioner of Commercial Taxes, Lucknow  |
| VAT / Sales Tax     | Entry Tax      | 0.01                  | 0.00                                     | FY 2013-2014                   | Asst. Commissioner Commercial Tax, Raipur         |

| Name of the Statute | Nature of dues                                           | Amount (₹ in Million) | Amount paid under protest (₹ in Million) | Period to which amount relates | Forum where dispute is pending                          |
|---------------------|----------------------------------------------------------|-----------------------|------------------------------------------|--------------------------------|---------------------------------------------------------|
| CST                 | CST Demand                                               | 5.75                  | 0.86                                     | FY 2014-2015                   | High court of Raipur                                    |
| GST                 | GST Demand                                               | 1.89                  | 0.17                                     | FY 2017-2018                   | Asst. Commissioner Commercial Tax, Patna.               |
| EXCISE              | Cenvat Reversal on Domestic Trading and Merchant Exports | 36.13                 | 2.71                                     | January 2011 to March 2015     | CESTAT, Bangalore                                       |
| EXCISE              | Cenvat Reversal on Domestic Trading and Merchant Exports | 4.81                  | 0.36                                     | April 2015 to December 2015    | The Commissioner of Central Excise (Appeals-I), Domlur. |
| CUSTOMS             | Non consideration of BRC for DBK                         | 0.22                  | 0.02                                     | FY 2013-2014                   | Commissioner Customs - Mumbai                           |
| EXCISE              | DBK under Section 74                                     | 9.40                  | 0.94                                     | FY 2016-2017                   | CESTAT, Bangalore                                       |
| CUSTOMS             | DBK Demand                                               | 0.06                  | 0.00                                     | FY 2014-2015                   | The Commissioner of Customs, (Appeals), Bengaluru.      |
| CUSTOMS             | Non consideration of BRC for DBK                         | 0.54                  | 0.04                                     | FY 2013-2014                   | The Commissioner of Customs, (Appeals), Bengaluru.      |
| CUSTOMS             | DBK Claimed on Exports made by EOU                       | 24.89                 | 0.18                                     | FY 2014-2015                   | Govt of India, New Delhi Customs.                       |
| CUSTOMS             | Non consideration of BRC for DBK                         | 5.38                  | 0.40                                     | FY 2013-2014                   | The Commissioner of Customs, (Appeals-II) Raigad.       |
| GST                 | GST order u/s.73                                         | 36.64                 | 2.36                                     | FY 2019-2020                   | DCCT, Uttar Pradesh.                                    |
| GST                 | GST Anti Evasion                                         | 238.73                | -                                        | FY 2017-2020                   | Writ Petition, Karnataka High Court.                    |
| VAT / Sales Tax     | Vat/CST Demand                                           | 13.05                 | -                                        | FY 2015-2016                   | Deputy Commissioner of Commercial Taxes, Lucknow        |
| VAT / Sales Tax     | Vat/CST Demand                                           | 1.12                  | -                                        | FY 2016-17                     | Deputy Commissioner of Commercial Taxes, Lucknow        |
| VAT / Sales Tax     | Vat/CST Demand                                           | 17.60                 | -                                        | FY 2017-18                     | Deputy Commissioner of Commercial Taxes, Lucknow        |
| VAT/CST Demand      | VAT/CST Demand                                           | 6.46                  | -                                        | 2015-2016                      | DCCT at Raipur                                          |
| GST Demand          | GST Demand                                               | 0.03                  | -                                        | 2020-2021                      | ACCT, Uttar Pradesh                                     |
| GST Demand          | GST Demand                                               | 16.56                 | -                                        | 2022- 2024                     | JCCT of Chennai CGST                                    |
| Income Tax          | Intimation U/s 143(1)                                    | 37.77                 | -                                        | FY 2014-15                     | Commisisoner of Income Tax                              |
| Income Tax          | TDS                                                      | 4.96                  | 0.99                                     | FY 2013-14                     | National Facelss Appeal Centre                          |
| Income Tax          | Income Tax Demand                                        | 38.97                 | -                                        | FY 2013-14                     | Principal CIT appealed before High Court.               |

viii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessments under the Income Tax Act, 1961, as income during the year. Accordingly, the requirement to report on clause 3(viii) of the Order is not applicable to the Company.

ix. (a) According to the information and explanations given to us and on the basis of our examination

of the records of the Company, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender. Accordingly, the requirement to report on clause 3(ix)(a) of the Order is not applicable to the Company.

(b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not been declared a willful defaulter by any

bank or financial institution or government or any government authority.

- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not availed any term loan during the year. Accordingly, the requirement to report on clause 3(ix)(c) of the Order is not applicable to the Company.
- (d) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, we report that no funds raised on short-term basis have been used for long-term purposes by the Company.
- (e) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiary. The Company does not have any joint venture or associate. Accordingly, the requirement to report on clause 3(ix)(e) of the Order is not applicable to the Company.
- (f) According to the information and explanations given to us and on an overall examination of the standalone financial statements of the Company, the Company has not raised loans during the year on the pledge of securities held in its subsidiary. The Company does not have any joint venture or associate. Accordingly, the requirement to report on clause 3(ix)(f) of the Order is not applicable to the Company.
- x. (a) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has raised funds aggregating to ₹7,458.84 million (net of issue expenses) through an Initial Public Offer ("IPO") during the year. In our opinion, the funds raised have been applied for the purposes for which they were raised, except for an amount of ₹2,136.51 million which remained unutilised as at March 31, 2026 and was temporarily invested in current account and fixed deposits with scheduled commercial banks pending utilisation. The Company has not raised any monies by way of further public offer (including debt instruments) during the year (read with note no 52 to the standalone financial statements).
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, The Company has not made any preferential allotment or private placement of shares/fully or partially or optionally convertible debentures during the year under audit. Hence, the requirement to report on clause 3(x)(b) of the Order is not applicable to the Company.
- xi. (a) Based on examination of the books and records of the Company and according to the information and explanations given to us, no fraud by the Company or on the Company has been noticed or reported during the year. Accordingly, the requirement to report under clause 3(xi)(a) of the Order is not applicable to the Company.
- (b) According to the information and explanations given to us, no report under sub-section (12) of Section 143 of the Act has been filed by us in Form ADT-4 as prescribed under Rule 13 of the Companies (Audit and Auditors) Rules, 2014 with the Central Government.
- (c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.
- xii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is not a Nidhi Company as per the provisions of the Act. Therefore, the requirement to report on clause 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations and records made available by the management of the Company and audit procedures performed, the Company is in compliance with Sections 177 and 188 of the Act where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the standalone financial statements as required by the applicable Indian Accounting Standards.
- xiv. (a) Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
- (b) We have considered the internal audit reports of the Company issued till date for the period under audit.

- xv. According to the information and explanations given to us, and on the basis of our examination of the records of the Company, the Company has not entered into any non-cash transactions with its directors or persons connected with them as referred in section 192 of the Act. Accordingly, the reporting on compliance with the provisions of Section 192 of the Act under clause 3(xv) of the Order is not applicable to the Company.
- xvi. (a) According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, the requirement to report on clause 3(xvi)(a) of the Order is not applicable to the Company.
- (b) The Company is not engaged in any Non-Banking Financial or Housing Finance activities. Accordingly, the requirement to report on clause 3(xvi)(b) of the Order is not applicable to the Company.
- (c) The Company is not a Core Investment Company (CIC) as defined in the regulations made by the Reserve Bank of India. Accordingly, the requirement to report on clause 3(xvi)(c) of the Order is not applicable to the Company.
- (d) Based on the information and explanations provided by the management of the Company, the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) does not have any CICs, which are part of the Group. Accordingly, the reporting under clause 3(xvi)(d) of the Order is not applicable to the Company.
- xvii. The Company has not incurred cash losses in the current and in the immediately preceding financial year.
- xviii. There has been no resignation of the statutory auditors during the year and accordingly requirement to report on Clause 3(xviii) of the Order is not applicable to the Company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios disclosed in note no. 46 of notes to the standalone financial statements, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that
- our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.
- xx. (a) According to the information and explanations given to us and based on our examination of the records of the Company, with respect to Corporate Social Responsibility (CSR) amounts relating to projects other than ongoing projects, the Company has transferred the unspent CSR obligation pertaining to the financial year 2024-25 to a fund specified in Schedule VII to the Companies Act, 2013 within six months from the end of the financial year. However, for the financial years 2023-24 and 2022-23, the Company has transferred the unspent CSR obligations to fund specified under Schedule VII to the Companies Act, 2013 after six months from the end of the financial year. The details are as follows:

| Financial year | Amount unspent on corporate social responsibility activities for other than ongoing projects | Amount transferred to fund specified in Schedule VII within six months end of the financial year | Amount transferred after the due date of six months from the end of financial year |
|----------------|----------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------|
| 2024-25        | ₹14.39 million                                                                               | 14.39 million                                                                                    | -                                                                                  |
| 2023-24        | ₹ 2.39 million                                                                               | -                                                                                                | ₹2.39 million                                                                      |
| 2022-23        | ₹1.65 million                                                                                | -                                                                                                | ₹1.65 million                                                                      |

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

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

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

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm's Registration No. 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Date: May 25, 2026

Place: Bangalore

Membership No. 500607

UDIN: 26500607OTHUGQ9583



## Annexure B

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

**Report on the Internal Financial Controls with reference to the aforesaid financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act") as referred to in paragraph 2(g) of 'Report on Other Legal and Regulatory Requirements' section of our report even date.**

We have audited the internal financial controls with reference to the standalone financial statements of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (the "Company") as of March 31, 2026, in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

### Management's and Board of Directors' Responsibilities for Internal Financial Controls

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

### Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to the standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal

financial controls with reference to the standalone financial statements were established and maintained and if such controls operated effectively in all material respects.

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

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

### Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

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

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

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

### Opinion

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to the standalone financial statements and such internal financial

controls with reference to the standalone financial statements were operating effectively as at March 31, 2026, based on the internal financial controls over financial reporting criteria established by the Company considering the essential components of internal controls stated in the Guidance Note.

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm's Registration No. 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Membership No. 500607

UDIN: 26500607OTHUGQ9583

Date: May 25, 2026

Place: Bangalore

# Standalone Balance Sheet

as at March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                                                  | Note no | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------------|---------|-------------------------|-------------------------|
| <b>A. Assets</b>                                                             |         |                         |                         |
| <b>(1) Non-current assets</b>                                                |         |                         |                         |
| (a) Property, plant and equipment                                            | 3       | 1,076.96                | 1,001.62                |
| (b) Capital work in progress                                                 | 4       | 382.85                  | 320.85                  |
| (c) Investment property                                                      | 6       | 336.66                  | 17.87                   |
| (d) Right-of-use assets                                                      | 5       | 201.98                  | 8.33                    |
| (e) Other intangible assets                                                  | 7       | 272.08                  | 287.02                  |
| (f) Financial assets                                                         |         |                         |                         |
| (i) Investments                                                              | 8       | 5,125.11                | 126.56                  |
| (ii) Trade receivables                                                       | 14.2    | 3,756.26                | 2,946.06                |
| (iii) Loans                                                                  | 9       | -                       | -                       |
| (iv) Other financial asset                                                   | 10      | 1,317.60                | 1,301.05                |
| (g) Deferred tax assets (net)                                                | 11      | 109.09                  | 150.31                  |
| (h) Non current tax assets (net)                                             | 12      | 25.90                   | 30.32                   |
| (i) Other non-current assets                                                 | 18      | 386.42                  | 161.03                  |
| <b>Total non-current assets</b>                                              |         | <b>12,988.91</b>        | <b>6,351.02</b>         |
| <b>(2) Current assets</b>                                                    |         |                         |                         |
| (a) Inventories                                                              | 13      | 724.56                  | 440.29                  |
| (b) Financial assets                                                         |         |                         |                         |
| (i) Trade receivables                                                        | 14.1    | 15,996.09               | 11,494.70               |
| (ii) Cash and cash equivalents                                               | 15      | 458.98                  | 753.10                  |
| (iii) Bank balances other than (ii) above                                    | 16      | 3,113.11                | 982.73                  |
| (iv) Loans                                                                   | 9       | 448.46                  | -                       |
| (v) Other financial assets                                                   | 17      | 2,032.96                | 2,416.95                |
| (c) Other current assets                                                     | 18      | 2,408.52                | 995.93                  |
| <b>Total current assets</b>                                                  |         | <b>25,182.68</b>        | <b>17,083.70</b>        |
| <b>Total assets (1+2)</b>                                                    |         | <b>38,171.59</b>        | <b>23,434.72</b>        |
| <b>B. Equity and liabilities</b>                                             |         |                         |                         |
| <b>(1) Equity</b>                                                            |         |                         |                         |
| (a) Equity share capital                                                     | 19      | 431.70                  | 356.88                  |
| (b) Other equity                                                             | 20      | 19,272.52               | 9,477.77                |
| <b>Total equity</b>                                                          |         | <b>19,704.22</b>        | <b>9,834.65</b>         |
| <b>(2) Liabilities</b>                                                       |         |                         |                         |
| <b>I. Non current liabilities</b>                                            |         |                         |                         |
| (a) Financial liabilities                                                    |         |                         |                         |
| (i) Borrowings                                                               | 21      | 74.31                   | 128.86                  |
| (ii) Lease liabilities                                                       | 22      | 198.20                  | 4.52                    |
| (iii) Other financial liabilities                                            | 23      | 5.03                    | 1.80                    |
| (b) Provisions                                                               | 24      | 127.46                  | 135.62                  |
| (c) Other non-current liabilities                                            | 30.2    | 316.41                  | -                       |
| <b>Total non-current liabilities</b>                                         |         | <b>721.41</b>           | <b>270.80</b>           |
| <b>II. Current liabilities</b>                                               |         |                         |                         |
| (a) Financial liabilities                                                    |         |                         |                         |
| (i) Borrowings                                                               | 26      | 1,646.26                | 1,254.15                |
| (ii) Lease liabilities                                                       | 27      | 4.35                    | 3.92                    |
| (iii) Trade payables                                                         | 28      |                         |                         |
| - Total outstanding dues of micro and small enterprises                      |         | 139.65                  | 131.15                  |
| - Total outstanding dues of creditors other than micro and small enterprises |         | 13,002.18               | 10,238.89               |
| (iv) Other financial liabilities                                             | 29      | 635.64                  | 588.99                  |
| (b) Other current liabilities                                                | 30.1    | 1,655.14                | 182.63                  |
| (c) Provisions                                                               | 25      | 212.07                  | 166.95                  |
| (d) Current tax liabilities (net)                                            | 31      | 450.67                  | 762.59                  |
| <b>Total current liabilities</b>                                             |         | <b>17,745.96</b>        | <b>13,329.27</b>        |
| <b>Total liabilities (I+II)</b>                                              |         | <b>18,467.37</b>        | <b>13,600.07</b>        |
| <b>Total equity and liabilities (1+2)</b>                                    |         | <b>38,171.59</b>        | <b>23,434.72</b>        |
| Material accounting policies                                                 | 2       |                         |                         |

Accompanying notes form an integral part of these standalone financial statements

## As per our report of even date attached

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm's Registration No. 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026

## For and on behalf of the Board

**Pace Digitek Limited**

(Formerly known as Pace Digitek Private Limited and

**Pace Digitek Infra Private Limited)**

Sd/-

**Venugopalrao Maddisetty**

Managing Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Sd/-

**Panduraj Rajavendhan**

Chief Financial Officer

Place: Bangalore

Date: May 25, 2026

Sd/-

**Maddisetty Padma**

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Sd/-

**Meghana Purushotham Manchaiah**

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026

# Standalone Statement of Profit & Loss

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                                            | Note no | For the year ended<br>March 31, 2026 | For the year ended<br>March 31, 2025 |
|------------------------------------------------------------------------|---------|--------------------------------------|--------------------------------------|
| <b>I. Income :</b>                                                     |         |                                      |                                      |
| (a) Revenue from operations                                            | 32      | 17,108.08                            | 22,710.96                            |
| (b) Other income                                                       | 33      | 468.67                               | 382.23                               |
| <b>Total income (I)</b>                                                |         | <b>17,576.75</b>                     | <b>23,093.19</b>                     |
| <b>II. Expenses:</b>                                                   |         |                                      |                                      |
| (a) Cost of materials consumed                                         | 34      | 3,519.68                             | 8,959.37                             |
| (b) Engineering, procurement and construction project expenses         | 34.1    | 7,965.60                             | 8,411.45                             |
| (c) Purchases of stock-in-trade                                        | 34.2    | 747.02                               | -                                    |
| (d) Employee benefits expense                                          | 35      | 764.29                               | 543.20                               |
| (e) Finance costs                                                      | 36      | 322.28                               | 1,109.79                             |
| (f) Depreciation and amortisation expense                              | 37      | 72.90                                | 33.76                                |
| (g) Other expenses                                                     | 38      | 730.14                               | 843.21                               |
| <b>Total expenses (II)</b>                                             |         | <b>14,121.91</b>                     | <b>19,900.78</b>                     |
| <b>III. Profit before tax (I-II)=III</b>                               |         | <b>3,454.84</b>                      | <b>3,192.41</b>                      |
| <b>IV. Tax expense:</b>                                                |         |                                      |                                      |
| (a) Current tax                                                        | 41      | 945.08                               | 953.65                               |
| (b) Deferred tax charge/ (credit)                                      |         | 40.72                                | (126.16)                             |
| (c) Taxes relating to earlier years                                    |         | 4.24                                 | 31.61                                |
| <b>Total tax expense(IV)</b>                                           |         | <b>990.04</b>                        | <b>859.10</b>                        |
| <b>V. Profit after tax (III-IV)= V</b>                                 |         | <b>2,464.80</b>                      | <b>2,333.31</b>                      |
| <b>VI. Other comprehensive income/(loss):</b>                          |         |                                      |                                      |
| <b>Items that will not be reclassified to profit or loss</b>           |         |                                      |                                      |
| (i) Remeasurement of defined benefit plan gain/(loss)                  |         | 2.86                                 | 0.62                                 |
| (ii) Income tax relating to these items                                |         | (0.72)                               | (0.16)                               |
| <b>Total other comprehensive income for the year (net of tax) (VI)</b> |         | <b>2.14</b>                          | <b>0.46</b>                          |
| <b>VII Total comprehensive income for the year (V+VI)=VII</b>          |         | <b>2,466.94</b>                      | <b>2,333.77</b>                      |
| <b>VIII. Earnings per share (₹) (face value of ₹ 2 per share):</b>     | 39      |                                      |                                      |
| Basic (Rupee)                                                          |         | 12.52                                | 14.21                                |
| Diluted (Rupee)                                                        |         | 12.52                                | 14.21                                |
| Material accounting policies                                           | 2       |                                      |                                      |

Accompanying notes form an integral part of these standalone financial statements

**As per our report of even date attached**  
**For S S Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm's Registration No. 000756N/N500441

Sd/-  
**AMIT GOEL**  
Partner  
Membership No. 500607  
Place: Bangalore  
Date: May 25, 2026

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

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

Sd/-  
**Pandidurai Rajavendhan**  
Chief Financial Officer  
Place: Bangalore  
Date: May 25, 2026

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

Sd/-  
**Meghana Purushotham Manchaiah**  
Company Secretary  
Membership No. A42534  
Place: Bangalore  
Date: May 25, 2026

# Standalone Statement of Cash Flows

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                                                                                               | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>A. Cash flows from operating activities:</b>                                                                           |                                         |                                         |
| <b>Profit before tax</b>                                                                                                  | <b>3,454.84</b>                         | <b>3,192.41</b>                         |
| <b>Adjustments for:</b>                                                                                                   |                                         |                                         |
| Depreciation and amortisation expenses                                                                                    | 72.90                                   | 33.76                                   |
| Finance costs                                                                                                             | 321.45                                  | 1,109.79                                |
| Interest on lease liabilities                                                                                             | 0.83                                    | 1.03                                    |
| Balance written back                                                                                                      | -                                       | (102.48)                                |
| Gain on sale of property, plant and equipment                                                                             | (0.39)                                  | -                                       |
| Fair value of investment in optional convertible debentures                                                               | (57.96)                                 | -                                       |
| Interest income on loan                                                                                                   | (23.33)                                 | -                                       |
| Interest income on security deposit                                                                                       | (1.10)                                  | (2.18)                                  |
| Interest received on corporate guarantee                                                                                  | (8.58)                                  | -                                       |
| Loss allowance/(Reversal) of expected credit loss                                                                         | 105.89                                  | (9.56)                                  |
| Bad debts written off                                                                                                     | 3.09                                    | 24.36                                   |
| Provision for liquidity damages                                                                                           | 12.63                                   | 136.05                                  |
| Balance written off                                                                                                       | 0.05                                    | 28.80                                   |
| Interest income on fixed deposit with banks                                                                               | (205.07)                                | (150.40)                                |
| Rental income                                                                                                             | (62.74)                                 | (6.93)                                  |
| <b>Operating cash flow before changes in operating assets and liabilities</b>                                             | <b>3,612.51</b>                         | <b>4,254.65</b>                         |
| Movements in working capital:                                                                                             |                                         |                                         |
| (Increase)/decrease in trade receivables                                                                                  | (5,420.55)                              | (7,761.75)                              |
| (Increase)/decrease in loan                                                                                               | (448.46)                                | 2.54                                    |
| (Increase)/decrease in other financial assets                                                                             | 376.13                                  | (22.27)                                 |
| (Increase)/decrease in other current assets                                                                               | (1,451.10)                              | 293.87                                  |
| (Increase)/decrease in inventories                                                                                        | (284.27)                                | 714.98                                  |
| (Decrease)/increase in trade payables                                                                                     | 2,771.80                                | 2,104.73                                |
| (Decrease)/increase in other financial liabilities                                                                        | 236.87                                  | (339.39)                                |
| (Decrease)/increase in provisions                                                                                         | 26.46                                   | 108.19                                  |
| (Decrease)/increase in other liabilities                                                                                  | 1,788.92                                | 71.15                                   |
| <b>Cash generated from operations</b>                                                                                     | <b>1,208.29</b>                         | <b>(573.29)</b>                         |
| Income taxes paid (net of refunds)                                                                                        | (1,353.42)                              | (586.54)                                |
| <b>Net cash generated/(used in) from operating activities (A)</b>                                                         | <b>(145.13)</b>                         | <b>(1,159.83)</b>                       |
| <b>B. Cash flows from investing activities</b>                                                                            |                                         |                                         |
| Acquisition of property, plant and equipment, intangibles (including capital work-in-progress and capital advances) (net) | (470.83)                                | (261.16)                                |
| Acquisition of investment property                                                                                        | (327.39)                                | 0.92                                    |
| Investment in equity shares of subsidiary Company                                                                         | (1,790.59)                              | -                                       |
| Investment in optional convertible debentures of subsidiary Company                                                       | (3,150.00)                              | -                                       |
| Rent received                                                                                                             | 62.74                                   | 6.93                                    |
| Investment in /proceeds from fixed deposits                                                                               | (2,130.38)                              | 1,939.24                                |
| Interest received on fixed deposit and loans                                                                              | 228.39                                  | 200.08                                  |
| <b>Net cash (used in)/generated from investing activities (B)</b>                                                         | <b>(7,578.06)</b>                       | <b>1,886.01</b>                         |



# Standalone Statement of Cash Flows

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                                           | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-----------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>C. Cash flows from financing activities:</b>                       |                                         |                                         |
| Repayment of long term borrowings                                     | (81.09)                                 | (453.61)                                |
| (Repayment)/proceeds of short term borrowings                         | 373.31                                  | (2,953.28)                              |
| Proceeds from issue of equity shares (net of issue expenses)          | 7,215.63                                | 3,626.36                                |
| Payment of principal portion of lease liabilities                     | (3.89)                                  | (3.15)                                  |
| Payment of interest portion of lease liabilities                      | (0.83)                                  | (1.03)                                  |
| Finance cost paid                                                     | (74.08)                                 | (1,109.79)                              |
| <b>Net cash generated from/ (used in) financing activity</b>          | <b>7,429.06</b>                         | <b>(894.49)</b>                         |
| <b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>  | <b>(294.12)</b>                         | <b>(168.29)</b>                         |
| Cash and cash equivalents at the beginning of the year                | 753.10                                  | 921.39                                  |
| <b>Cash and cash equivalents at the end of the year</b>               | <b>458.98</b>                           | <b>753.10</b>                           |
| <b>Components of cash and cash equivalents at the end of the year</b> |                                         |                                         |
| (a) Balances with banks                                               |                                         |                                         |
| In current accounts                                                   | 458.91                                  | 753.03                                  |
| (b) Cash on hand                                                      | 0.07                                    | 0.07                                    |
| <b>Total cash and cash equivalents (Refer note no 15)</b>             | <b>458.98</b>                           | <b>753.10</b>                           |

## Notes:

- (a) The standalone statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - "Statement of cash flows".
- (b) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in the note 26.

Material accounting policies

Accompanying notes form an integral part of these standalone financial statements

## As per our report of even date attached

### For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

## For and on behalf of the Board

### Pace Digitek Limited

(Formerly known as Pace Digitek Private Limited and

Pace Digitek Infra Private Limited)

Sd/-

**AMIT GOEL**

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026

Sd/-

**Venugopalrao Maddisetty**

Managing Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Sd/-

**Maddisetty Padma**

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Sd/-

**Pandidurai Rajavendhan**

Chief Financial Officer

Place: Bangalore

Date: May 25, 2026

Sd/-

**Meghana Purushotham Manchaiah**

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026

# Standalone Statement of Changes in Equity

for year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## (a) Equity share capital

| Particulars                                     | Note no | No of shares        | Amount        |
|-------------------------------------------------|---------|---------------------|---------------|
| <b>As at April 01, 2024</b>                     | 19      | 50,00,000           | 50.00         |
| Changes in equity share capital during the year |         | 17,34,42,280        | 306.88        |
| <b>As at March 31, 2025</b>                     |         | <b>17,84,42,280</b> | <b>356.88</b> |
| Changes in equity share capital during the year |         | 3,74,09,047         | 74.82         |
| <b>As at March 31, 2026</b>                     |         | <b>21,58,51,327</b> | <b>431.70</b> |

## (b) Other equity

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

### Notes:

Table to be continued on next page.

# Standalone Statement of Changes in Equity

for year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                          | Reserves and surplus |                 |                    | Items of OCI                                | Total other equity |
|------------------------------------------------------|----------------------|-----------------|--------------------|---------------------------------------------|--------------------|
|                                                      | Retained earnings    | General reserve | Securities premium | Remeasurement of defined benefit obligation |                    |
| <b>Addition during the year:</b>                     |                      |                 |                    |                                             |                    |
| Add: Profit for the year                             | 2,464.80             | -               | -                  | -                                           | 2,464.80           |
| Add: Other comprehensive income/ (loss) (net of tax) | -                    | -               | -                  | 2.14                                        | 2.14               |
| Add: Premium on issue of equity shares               | -                    | -               | 8,116.66           | -                                           | 8,116.66           |
| Less: Pre-IPO expenses debited to securities premium | -                    | -               | (788.85)           | -                                           | (788.85)           |
| <b>Closing balance as at March 31, 2026</b>          | <b>8,571.68</b>      | <b>37.71</b>    | <b>10,647.29</b>   | <b>15.84</b>                                | <b>19,272.52</b>   |

Material accounting policies

Accompanying notes form an integral part of these standalone financial statements

## As per our report of even date attached

### For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

## For and on behalf of the Board

### Pace Digitek Limited

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

Sd/-

**AMIT GOEL**

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026

Sd/-

**Venugopalrao Maddisetty**

Managing Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Sd/-

**Pandidurai Rajavendhan**

Chief Financial Officer

Place: Bangalore

Date: May 25, 2026

Sd/-

**Maddisetty Padma**

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Sd/-

**Meghana Purushotham Manchaiah**

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 1. Corporate information

Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) ("the Company") is a public company domiciled in India and was incorporated on March 1, 2007 under the erstwhile Companies Act, 1956 with its registered office in Bengaluru, Karnataka. The Company is primarily engaged in the business of Infra Power Management, Green Energy and Telecom, Solar Energy Solutions, Hybrid Solutions and Remote Monitoring Solutions, related operation and maintenance and product services infrastructure such as Urban Infrastructure, Power and Power Transmission.

The Company has been converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the board meeting of the Company held on October 16, 2024 and consequently the name of the Company has been changed to Pace Digitek Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on November 19, 2024.

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

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

#### a. Statement of Compliance

The Standalone financial statements have been prepared in accordance with the accounting principles generally accepted in India including Indian Accounting Standards (Ind AS) prescribed under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time) and presentation and disclosures requirement of Division II of revised Schedule III of the Companies Act 2013, (Ind AS Compliant Schedule III), as applicable to standalone financial statements.

Accordingly, the Company has prepared these Standalone financial statements which comprise the Balance Sheet as at March 31, 2026, the Statement of Profit and Loss, the Statement of Cash Flows and the Statement of Changes in Equity for the year ended as on that date, and accounting policies and other explanatory information (together hereinafter referred to as "Standalone financial statements" or "financial statements").

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

#### b. Basis of Preparation and Presentation

The standalone financial statements of the Company have been prepared on going concern, accrual and historical cost basis, except for the following assets and liabilities which have been measured at fair value:

- Defined benefit plans-plan assets measured at fair value.
- Certain financial assets and liabilities measured at fair value
- Other financial assets and liabilities at amortised cost

The Company has prepared the standalone financial statements on the basis that it will continue to operate as a going concern. These standalone financial statements are presented in INR, and all values are rounded to the nearest million, except when otherwise stated.

#### c. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

A liability is current when:

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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All other liabilities are classified as non-current. Deferred tax assets and deferred tax liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

## 2. Material accounting policies

The material accounting policies applied by the Company in the preparation of its standalone financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these standalone financial statements, unless otherwise indicated.

### 2.1. Property, plant and equipment

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

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

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

Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in profit or loss as incurred. The present value of the expected cost for the decommissioning of an asset after its use is included in the cost of

the respective asset if the recognition criteria for a provision are met. The cost of a self-constructed item of property, plant and equipment comprises the cost of materials and direct labour, any other costs directly attributable to bringing the item to working condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

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

| Particular             | Useful life |
|------------------------|-------------|
| Building               | 60 years    |
| Plant & machinery      | 15 years    |
| Computer               | 3-6 years   |
| Motor vehicles         | 8 years     |
| Furniture and fixtures | 10 years    |
| Office equipment       | 5 years     |

### 2.2 Investment properties

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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

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

## 2.3 Intangible assets

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

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

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

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

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

## 2.3 Impairment of non- financial assets

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

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

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

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

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

# Notes to the Standalone Financial Statements

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

## 2.4 Financial instruments

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

### Initial recognition and measurement

#### (i) Financial Assets

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

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

#### Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)

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

#### Financial assets at amortised cost (debt instruments)

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

#### Financial assets at fair value through other comprehensive income – equity

The Company measures all its equity investments except for investment in subsidiaries and associates, at fair value. Where the Company's management has opted to present fair value gain and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to the profit and loss. Dividend income from such investments is recognized in the statement of profit and loss as other income when the Company's right to receive payments is established.

#### Financial assets at fair value through other comprehensive income – debt

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

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interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Financial assets at fair value through the statement of profit and loss

A financial asset which is not classified in any of the above categories, are subsequently fair valued through the statement of profit and loss.

## De-recognition

A financial asset is primarily derecognized when:

1. the right to receive cash flows from the asset has expired, or
2. the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the Company has transferred substantially all the risks and rewards of the asset, or b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss

## Impairment of financial assets

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

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

The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

Outstanding customer receivables are regularly monitored. The Company periodically assesses the financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical data and ageing of accounts receivable. The Company creates allowance for unsecured receivables based on historical credit loss experience, industry practice and business environment in which the entity operates and is adjusted for forward looking information. Subsequently when the Company is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

## (ii) Financial liabilities:

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

## Subsequent measurement

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

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

## Financial liabilities at amortised cost (Loans and borrowings)

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

## Trade Payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts

# Notes to the Standalone Financial Statements

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are unsecured and are usually payable basis varying trade term. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using Effective interest rate method.

## Financial guarantee contracts

Financial guarantee contracts issued by the Company, are those contracts that require a payment to be made to reimburse the holder for a loss if incurred because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. If material, financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization

## Derecognition

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

## Offsetting of financial instruments

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

## 2.5 Inventories

### a) Basis of valuation:

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

### b) Method of Valuation:

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

- i) Cost of raw materials has been determined by using First in first out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on First in first out method
- iii) Cost of traded goods has been determined by using First in first out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- iv) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.
- v) Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

## 2.6 Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax

# Notes to the Standalone Financial Statements

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Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals and the relevant rulings in the areas of allowances and disallowances. The computation reflects the effect of uncertainty for each item of allowance and disallowance as appropriate either by

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

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

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

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

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

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

## 2.7 Revenue from contract with customers

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

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

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

### Revenue from sales of products

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

### Revenue from sales of services

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

### Warranty obligations

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



# Notes to the Standalone Financial Statements

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(Amounts are ₹ in million unless otherwise stated)

## Significant Financing Components

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

## Revenue from construction/project related activity

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

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is subject to many variables and requires significant judgement. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

## Revenue from operation and maintenance

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

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

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

## Contract balances

### - Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to a customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

### - Contract liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer or has raised the invoice in advance. If a customer pays consideration before the Company transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Company performs under the contract (i.e., transfers control of the related goods or services to the customer).

## Trade receivables

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the

# Notes to the Standalone Financial Statements

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passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

## 2.8 Other Income

### Interest Income from bank deposits and loan

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

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

## 2.9 Retirement and other employee benefits

### Short-term obligations

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

### Defined benefit plan - Gratuity

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

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

- i) Service costs comprising current service costs, past service costs, gains and losses on curtailments and non-routine settlements
- ii) Net interest expense or income Remeasurements, comprising of actuarial gains and losses, the

effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the Balance Sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Remeasurements are not reclassified to profit or loss in subsequent periods.

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

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

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

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

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

## 2.10 Leases

### Company as a lessee

The Company applies a single recognition and measurement approach for all leases, except for short-term leases and leases of low-value assets. The

# Notes to the Standalone Financial Statements

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

## (i) Right-of-use assets

The Company recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. If ownership of the leased asset transfers to the Company at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

## (ii) Lease Liabilities

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

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

the interest rate implicit in the lease is not readily determinable.

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

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

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

## (iv) Company as a lessor

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 2.11 Earnings Per Share

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

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

## 2.12 Borrowing Costs

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

## 2.13 Cash and cash equivalents

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

## 2.14 Provisions, contingent liabilities and contingent assets

### Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of

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

### Contingent liabilities

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

### Contingent assets

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

## 2.15 Foreign currency translation

### (i) Foreign currency transactions and translations

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

In preparing the financial statements, transactions in currencies other than the entity's functional currency are recorded at the rates of exchange prevailing on the date of the transaction. At the end of each reporting period, monetary items denominated in foreign currencies are re-translated at the rates prevailing at the end of the reporting period. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

on the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not translated.

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

## 2.16 Fair value measurement

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

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

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

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

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

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

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

## 2.17 Service Concession arrangements

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

### Revenue

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

### Intangible assets

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

### Determination of fair value

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 2.18 Segment Reporting

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

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

## 2.19 Key accounting judgments, estimates and assumptions

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

### a) Company as a lessee

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

### b Company as a lessor

The Company has entered into commercial property leases on its investment property. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the present value of the minimum

lease payments not amounting to substantially all of the fair value of the commercial property, that it retains substantially all the risks and rewards incidental to ownership of these properties and accounts for the contracts as operating leases.

### c) Defined benefit plans

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

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

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

### d) Impairment of financial assets

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

### e) Impairment of non-financial assets

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

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

## f) Provision for warranty

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

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

Property, Plant and Equipment, investment property, and intangible assets represent significant portion of the asset base of the Company. The charge in respect of periodic depreciation is derived after determining an estimate of assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Company's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The Company uses its technical expertise along with historical and industry trends for determining the economic

useful life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised amount is charged over the remaining useful life of the assets.

## 2.20 Recent accounting pronouncements

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

### Amendments to Ind AS 21 - Lack of exchangeability

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

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

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

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

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

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

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

## 2.21 Standards issued but not yet effective

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

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

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

- i) A breach of either material or immaterial covenant will trigger current classification of liability.
- ii) To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Company is currently assessing the impact the amendments will have on its standalone financial statements.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 3 Property, plant and equipment ('PPE')

| Particulars                         | Leasehold land | Freehold land | Building | Plant & machinery | Computers | Office equipment | Vehicles | Furnitures and fixtures | Total    |
|-------------------------------------|----------------|---------------|----------|-------------------|-----------|------------------|----------|-------------------------|----------|
| <b>At cost</b>                      |                |               |          |                   |           |                  |          |                         |          |
| <b>Gross carrying amount</b>        |                |               |          |                   |           |                  |          |                         |          |
| <b>Balance as at April 01, 2024</b> | 897.03         | -             | 78.71    | 1.22              | 3.65      | 1.87             | 24.74    | 7.67                    | 1,014.89 |
| Additions                           | -              | -             | -        | -                 | 11.25     | 0.73             | -        | 0.77                    | 12.75    |
| Disposals                           | -              | -             | -        | -                 | -         | -                | -        | -                       | -        |
| <b>Balance as at March 31, 2025</b> | 897.03         | -             | 78.71    | 1.22              | 14.90     | 2.60             | 24.74    | 8.44                    | 1,027.64 |
| Additions                           | 39.31          | -             | -        | 222.78            | 28.58     | 13.90            | -        | 18.66                   | 323.23   |
| Disposals                           | -              | -             | -        | (221.70)          | -         | -                | (1.14)   | -                       | (222.84) |
| Transfer (in/out)                   | (936.34)       | 936.34        | -        | -                 | -         | -                | -        | -                       | -        |
| <b>Balance as at March 31, 2026</b> | -              | 936.34        | 78.71    | 2.30              | 43.48     | 16.50            | 23.60    | 27.10                   | 1,128.03 |
| <b>Accumulated depreciation</b>     |                |               |          |                   |           |                  |          |                         |          |
| <b>Balance as at April 01, 2024</b> | -              | -             | 4.16     | 0.17              | 1.42      | 0.56             | 4.32     | 1.93                    | 12.56    |
| Charge for the year                 | -              | -             | 3.63     | 0.13              | 2.61      | 0.59             | 4.95     | 1.56                    | 13.48    |
| Disposals                           | -              | -             | -        | -                 | -         | -                | -        | -                       | -        |
| <b>Balance as at March 31, 2025</b> | -              | -             | 7.79     | 0.30              | 4.03      | 1.15             | 9.27     | 3.49                    | 26.03    |
| Charge for the year                 | -              | -             | 3.40     | 19.42             | 13.56     | 1.31             | 3.33     | 3.26                    | 44.28    |
| Disposals                           | -              | -             | -        | (19.24)           | -         | -                | -        | -                       | (19.24)  |
| <b>Balance as at March 31, 2026</b> | -              | -             | 11.19    | 0.48              | 17.59     | 2.46             | 12.60    | 6.75                    | 51.07    |
| <b>Net carrying amount</b>          |                |               |          |                   |           |                  |          |                         |          |
| <b>Balance as at March 31, 2025</b> | 897.03         | -             | 70.92    | 0.92              | 10.87     | 1.45             | 15.48    | 4.95                    | 1,001.62 |
| <b>Balance as at March 31, 2026</b> | -              | 936.34        | 67.52    | 1.82              | 25.89     | 14.04            | 11.00    | 20.35                   | 1,076.96 |

### Note:

- Refer note 21 for the assets forming part of property, plant and equipment which are offered as security/ charge for the borrowings availed by the Company.
- The freehold land represents land at Bidadi and Jala Industrial Area IT Park, acquired by the Company during financial year 2014-15 from Karnataka Industrial Areas Development Board (KIADB), on a lease-cum-sale basis. The land was under lease for initial period of ten years thereafter the ownership of the land has been transferred in favour of the Company. Total consideration has been paid by Company at the time of inception of agreement to the KIADB for acquisition of land and thereafter, the Company having obligations under lease is yearly recurring maintenance charges during the lease period.

Accordingly, during the current year, the said land has been converted from leasehold to freehold land upon completion of necessary documentation and formalities with KIADB and the Company has now reclassified the said land from leasehold land to freehold land under Property, Plant and Equipment.

- The title deeds of all the immovable properties included in property, plant and equipment, are held in the name of the Company as at the balance sheet dates.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 4 Capital Work In Progress (CWIP)

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

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

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

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

#### As at March 31, 2026

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

#### As at March 31, 2025

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

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

#### As at March 31, 2026

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 4 Capital Work In Progress (CWIP) (Contd..)

As at March 31, 2025

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

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

## 5 Right-of-use assets (ROU)

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

### Notes:

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

## 6 Investment property

| Particulars                          | Building-1   | Building-2    | Total         |
|--------------------------------------|--------------|---------------|---------------|
| <b>At cost</b>                       |              |               |               |
| <b>Gross carrying amount</b>         |              |               |               |
| <b>Balance as at April 01, 2024</b>  | <b>19.82</b> | <b>-</b>      | <b>19.82</b>  |
| Additions                            | -            | -             | -             |
| Disposals                            | -            | -             | -             |
| <b>Balances as at March 31, 2025</b> | <b>19.82</b> | <b>-</b>      | <b>19.82</b>  |
| Additions                            | -            | 327.38        | 327.38        |
| Disposals                            | -            | -             | -             |
| <b>Balances as at March 31, 2026</b> | <b>19.82</b> | <b>327.38</b> | <b>347.20</b> |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 6 Investment property (Contd..)

| Particulars                          | Building-1   | Building-2    | Total         |
|--------------------------------------|--------------|---------------|---------------|
| <b>Accumulated amortisation</b>      |              |               |               |
| Balance as at April 01, 2024         | 1.03         | -             | 1.03          |
| Charge for the year                  | 0.92         | -             | 0.92          |
| Disposals                            | -            | -             | -             |
| <b>Balances as at March 31, 2025</b> | <b>1.95</b>  | <b>-</b>      | <b>1.95</b>   |
| Charge for the year                  | 0.86         | 7.73          | 8.59          |
| Disposals                            | -            | -             | -             |
| <b>Balances as at March 31, 2026</b> | <b>2.81</b>  | <b>7.73</b>   | <b>10.54</b>  |
| <b>Net carrying amount</b>           |              |               |               |
| Balance as at March 31, 2025         | 17.87        | -             | 17.87         |
| <b>Balance as at March 31, 2026</b>  | <b>17.01</b> | <b>319.65</b> | <b>336.66</b> |

### Notes:

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

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

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

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

- The Company had obtained independent valuation of ₹ 373.02 million from certified valuer for its investment property as at March 31, 2026, (₹36.67 millions for March 31, 2025) and these valuations are based on valuation performed by an independent valuer registered in terms of the Act.
- There is no contractual obligation to purchase, construct or develop investment property or for repairs, maintenance and enhancement thereof and there are no restriction on remittance of income and proceeds of disposal.
- The investment property is Building purchased through sale-cum lease agreement. The formalities of registration of sale cum lease agreement are completed.
- The title deeds of all the immovable properties included in property, plant and equipment, are held in the name of the Company as at the balance sheet date.

## 7 Other intangible assets

| Particulars                          | Software    | Right of Infrastructure development* | Total         |
|--------------------------------------|-------------|--------------------------------------|---------------|
| <b>At cost</b>                       |             |                                      |               |
| <b>Gross carrying amount</b>         |             |                                      |               |
| Balance as at April 01, 2024         | 0.16        | 292.09                               | 292.25        |
| Additions                            | 0.55        | 24.13                                | 24.68         |
| Disposals                            | -           | -                                    | -             |
| <b>Balances as at March 31, 2025</b> | <b>0.71</b> | <b>316.22</b>                        | <b>316.93</b> |
| Additions                            | 0.75        | -                                    | 0.75          |
| Disposals                            | -           | -                                    | -             |
| <b>Balances as at March 31, 2026</b> | <b>1.46</b> | <b>316.22</b>                        | <b>317.68</b> |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 7 Other intangible assets (Contd..)

| Particulars                          | Software    | Right of Infrastructure development* | Total         |
|--------------------------------------|-------------|--------------------------------------|---------------|
| <b>Accumulated amortisation</b>      |             |                                      |               |
| <b>Balances as at April 01, 2024</b> | <b>0.07</b> | <b>14.27</b>                         | <b>14.34</b>  |
| Charge for the year                  | 0.17        | 15.41                                | 15.58         |
| Disposals/discard                    | -           | -                                    | -             |
| <b>Balances as at March 31, 2025</b> | <b>0.24</b> | <b>29.68</b>                         | <b>29.92</b>  |
| Charge for the year                  | 0.31        | 15.38                                | 15.69         |
| Disposals/discard                    | -           | -                                    | -             |
| <b>Balances as at March 31, 2026</b> | <b>0.55</b> | <b>45.06</b>                         | <b>45.60</b>  |
| <b>Net carrying amount</b>           |             |                                      |               |
| <b>Balance as at March 31, 2025</b>  | <b>0.48</b> | <b>286.54</b>                        | <b>287.02</b> |
| <b>Balance as at March 31, 2026</b>  | <b>0.92</b> | <b>271.16</b>                        | <b>272.08</b> |

### Note:-

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

## 8 Financial assets (non current): Investments

| Particulars                                                                                                            | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------------------------------------------------------------------------------------------|----------------------|----------------------|
| <b>Unquoted</b>                                                                                                        |                      |                      |
| <b>1) Investments in equity instruments</b>                                                                            |                      |                      |
| <b>In wholly owned subsidiary company (at cost unless stated otherwise)</b>                                            |                      |                      |
| <b>Pace Renewable Energies Private Limited</b>                                                                         | 1,888.32             | 98.00                |
| 3,82,17,777 equity shares fully paid of ₹ 10 each (98,00,000 equity shares: March 31, 2025 of ₹ 10 each)               |                      |                      |
| <b>In subsidiary companies (at cost unless stated otherwise)</b>                                                       |                      |                      |
| <b>Lineage Power Private Limited</b>                                                                                   | 24.00                | 24.00                |
| 39,86,710 equity shares fully paid of ₹ 10 each (39,86,710 equity shares: March 31, 2025: equity shares of ₹ 10 each,) |                      |                      |
| <b>Lineage Power Holdings (Singapore) Pte Limited</b>                                                                  | 4.56                 | 4.56                 |
| 73,055 equity shares fully paid of SGD 1 each (73,055 equity shares: March 31, 2025 equity shares of SGD 1 each)       |                      |                      |
| <b>Inso Pace Private Limited</b>                                                                                       |                      |                      |
| 5,100 equity shares fully paid of ₹ 10 each (5,000 equity shares: March 31, 2025: equity shares of ₹ 10 each)          | 0.06                 | 0.05                 |
| Less-Allowance for impairment in value of investments                                                                  | (0.05)               | (0.05)               |
| <b>AP Digital Infra Private Limited</b>                                                                                | -                    | 0.09                 |
| Nil equity shares (9,000 equity shares: March 31, 2025: equity shares of ₹ 10 each)                                    |                      |                      |
| Less-Allowance for impairment in value of investments                                                                  | -                    | (0.09)               |
| <b>Transgreenx Energy Private Limited</b>                                                                              | 0.10                 | -                    |
| 9,999 equity shares fully paid of ₹ 10 each                                                                            |                      |                      |
| <b>Lineage Defence and Aerospace Private Limited</b>                                                                   | 0.10                 | -                    |
| 9,999 equity shares fully paid of ₹ 10 each                                                                            |                      |                      |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 8 Financial assets (non current): Investments (Contd..)

| Particulars                                                                              | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Pace Ecoplanet Solace Private Limited</b>                                             | 0.06                    | -                       |
| 6,000 equity shares fully paid of ₹ 10 each                                              |                         |                         |
|                                                                                          | <b>1,917.15</b>         | <b>126.56</b>           |
| <b>2) Investment in Optionally Convertible Debentures (At FV through profit or loss)</b> |                         |                         |
| <b>Pace Renewable Energies Private Limited</b>                                           |                         |                         |
| 3,15,00,000 Optionally convertible debentures fully paid of ₹ 100 each                   | 3,150.00                | -                       |
| Fair value gain on Optionally Convertible Debentures                                     | 57.96                   | -                       |
|                                                                                          | <b>3,207.96</b>         | -                       |
| <b>Total</b>                                                                             | <b>5,125.11</b>         | <b>126.56</b>           |
| <b>Aggregate value of unquoted investments</b>                                           | 5,125.16                | 126.70                  |
| <b>Aggregate amount of impairment in value of investments</b>                            | (0.05)                  | (0.14)                  |

- (i) In the current financial year, the Company has acquired additional equity in Pace Renewable Energies Private Limited, thereby increasing its ownership from 93.87% to 100%. As a result, Pace Renewable Energies Private Limited has become a wholly owned subsidiary of the Company.
- (ii) During the year, AP Digital infra Private Limited, a subsidiary, was struck off from the Register of Companies pursuant to the provisions of the Companies Act, 2013. Consequently, the Company ceased to hold its investment in the Company.
- (iii) During the year, the Company has pledged 3,82,17,777 equity shares held as investments in its wholly owned subsidiary namely "Pace Renewable Energies Private Limited" (PREPL) with the lenders for loan taken by PREPL

## 9 Loans

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 9 Loans (Contd..)

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

| Name of the entity                      | Relation                        | Purpose of loan                | Terms (Rate of Interest, Tenure, Repayment)                                                                              | As March 31, 2026 |                    |                                    | As March 31, 2025 |                    |                                    |
|-----------------------------------------|---------------------------------|--------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------------|--------------------|------------------------------------|-------------------|--------------------|------------------------------------|
|                                         |                                 |                                |                                                                                                                          | Loan given        | Outstanding amount | Maximum outstanding during 2025-26 | Loan given        | Outstanding amount | Maximum outstanding during 2024-25 |
| Pace Renewable Energies Private Limited | Wholly owned Subsidiary Company | For its business purposes only | Rate of Interest: 9.50%<br>Tenure: Repayable on demand<br>Repayment: Nil.<br>Accrued interest includes : ₹ 19.53 million | 428.93            | 448.46             | 448.46                             | -                 | -                  | -                                  |

## 10 Other financial assets - Non current

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

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

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

## 11 Deferred tax asset/liabilities (net)

| Particulars               | As at March 31, 2026 | As at March 31, 2025 |
|---------------------------|----------------------|----------------------|
| Deferred tax assets (net) | 109.09               | 150.31               |
| <b>Total</b>              | <b>109.09</b>        | <b>150.31</b>        |

## 12 Non current tax assets

| Particulars                                  | As at March 31, 2026 | As at March 31, 2025 |
|----------------------------------------------|----------------------|----------------------|
| Income tax assets (Net of provision for tax) | 23.90                | 30.32                |
| <b>Total</b>                                 | <b>23.90</b>         | <b>30.32</b>         |



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

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

| Particulars                  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------|-------------------------|-------------------------|
| Raw materials and components | 724.56                  | 440.29                  |
| <b>Total</b>                 | <b>724.56</b>           | <b>440.29</b>           |

### Note:

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

## 14.1 Trade receivables - current

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

### Note:

- \*Refer note 42 for information about receivables from related party.
- Trade receivables are non-interest bearing and due after 0 to 90 days from the due date.
- Refer note no.44 for information about credit risk and market risk of trade receivables.

## (b) Current trade receivables ageing schedules

As at March 31, 2026

| Particulars                                                                 | Unbilled | Not due  | Outstanding for following periods from due date<br>of payment |                      |                |                |                         | Total     |
|-----------------------------------------------------------------------------|----------|----------|---------------------------------------------------------------|----------------------|----------------|----------------|-------------------------|-----------|
|                                                                             |          |          | Less than<br>6 months                                         | 6 Months<br>- 1 year | 1 - 2<br>years | 2 - 3<br>years | More<br>than 3<br>years |           |
| Undisputed trade receivables considered good                                | 6,308.56 | 2,023.64 | 2,757.03                                                      | 1,798.57             | 2,283.14       | 583.64         | 423.85                  | 16,178.42 |
| Undisputed trade receivables-which have significant increase in credit risk | -        | -        | -                                                             | -                    | -              | -              | -                       | -         |
| Undisputed trade receivables-credit impaired                                | -        | -        | -                                                             | -                    | -              | -              | -                       | -         |
| Disputed trade receivables-considered good                                  | -        | -        | -                                                             | -                    | -              | -              | -                       | -         |
| Disputed trade receivables-which have significant increase in credit risk   | -        | -        | -                                                             | -                    | -              | -              | -                       | -         |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 14.1 Trade receivables - current (Contd..)

| Particulars                                | Unbilled        | Not due         | Outstanding for following periods from due date of payment |                   |                 |               |                   | Total            |
|--------------------------------------------|-----------------|-----------------|------------------------------------------------------------|-------------------|-----------------|---------------|-------------------|------------------|
|                                            |                 |                 | Less than 6 months                                         | 6 Months - 1 year | 1 - 2 years     | 2 - 3 years   | More than 3 years |                  |
| Disputed trade receivables-credit impaired | -               | -               | -                                                          | -                 | -               | -             | 42.39             | 42.39            |
| <b>Gross Total</b>                         | <b>6,308.56</b> | <b>2,023.64</b> | <b>2,757.03</b>                                            | <b>1,798.57</b>   | <b>2,283.14</b> | <b>583.64</b> | <b>466.24</b>     | <b>16,220.81</b> |
| Less : Credit impaired                     | -               | -               | -                                                          | -                 | -               | -             | -                 | (224.72)         |
| <b>Total</b>                               | <b>6,308.56</b> | <b>2,023.64</b> | <b>2,757.03</b>                                            | <b>1,798.57</b>   | <b>2,283.14</b> | <b>583.64</b> | <b>466.24</b>     | <b>15,996.09</b> |

As at March 31, 2025

| Particulars                                                                 | Unbilled        | Not due         | Outstanding for following periods from due date of payment |                   |               |              |                   | Total            |
|-----------------------------------------------------------------------------|-----------------|-----------------|------------------------------------------------------------|-------------------|---------------|--------------|-------------------|------------------|
|                                                                             |                 |                 | Less than 6 months                                         | 6 Months - 1 year | 1 - 2 years   | 2 - 3 years  | More than 3 years |                  |
| Undisputed trade receivables considered good                                | 1,164.13        | 4,353.48        | 3,236.36                                                   | 1,937.84          | 852.09        | 12.62        | 14.63             | 11,571.15        |
| Undisputed trade receivables-which have significant increase in credit risk | -               | -               | -                                                          | -                 | -             | -            | -                 | -                |
| Undisputed trade receivables-credit impaired                                | -               | -               | -                                                          | -                 | -             | -            | -                 | -                |
| Disputed trade receivables-considered good                                  | -               | -               | -                                                          | -                 | -             | -            | -                 | -                |
| Disputed trade receivables-which have significant increase in credit risk   | -               | -               | -                                                          | -                 | -             | -            | -                 | -                |
| Disputed trade receivables-credit impaired                                  | -               | -               | -                                                          | -                 | -             | 0.36         | 42.03             | 42.39            |
| <b>Gross Total</b>                                                          | <b>1,164.13</b> | <b>4,353.48</b> | <b>3,236.36</b>                                            | <b>1,937.84</b>   | <b>852.09</b> | <b>12.99</b> | <b>56.66</b>      | <b>11,613.54</b> |
| Less : Credit impaired                                                      | -               | -               | -                                                          | -                 | -             | -            | -                 | (118.84)         |
| <b>Total</b>                                                                | <b>1,164.13</b> | <b>4,353.48</b> | <b>3,236.36</b>                                            | <b>1,937.84</b>   | <b>852.09</b> | <b>12.99</b> | <b>56.66</b>      | <b>11,494.70</b> |

## 14.2 Trade receivables -Non-current

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

### Note:

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 14.2 Trade receivables -Non-current (Contd..)

### (b) Non-current trade receivables ageing schedules

As at March 31, 2026

| Particulars                                                                 | Unbilled        | Not due | Outstanding for following periods from due date of payment |                   |             |             |                   | Total           |
|-----------------------------------------------------------------------------|-----------------|---------|------------------------------------------------------------|-------------------|-------------|-------------|-------------------|-----------------|
|                                                                             |                 |         | Less than 6 months                                         | 6 Months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |                 |
| Undisputed trade receivables considered good                                | 3,756.26        | -       | -                                                          | -                 | -           | -           | -                 | 3,756.26        |
| Undisputed trade receivables-which have significant increase in credit risk | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| Undisputed trade receivables-credit impaired                                | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| Disputed trade receivables-considered good                                  | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| Disputed trade receivables-which have significant increase in credit risk   | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| Disputed trade receivables-credit impaired                                  | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| <b>Gross Total</b>                                                          | <b>3,756.26</b> | -       | -                                                          | -                 | -           | -           | -                 | <b>3,756.26</b> |
| Less : Credit impaired                                                      | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| <b>Total</b>                                                                | <b>3,756.26</b> | -       | -                                                          | -                 | -           | -           | -                 | <b>3,756.26</b> |

As at March 31, 2025

| Particulars                                                                 | Unbilled        | Not due | Outstanding for following periods from due date of payment |                   |             |             |                   | Total           |
|-----------------------------------------------------------------------------|-----------------|---------|------------------------------------------------------------|-------------------|-------------|-------------|-------------------|-----------------|
|                                                                             |                 |         | Less than 6 months                                         | 6 Months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |                 |
| Undisputed trade receivables considered good                                | 2,946.05        | -       | -                                                          | -                 | -           | -           | -                 | 2,946.05        |
| Undisputed trade receivables-which have significant increase in credit risk | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| Undisputed trade receivables-credit impaired                                | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| Disputed trade receivables-considered good                                  | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| Disputed trade receivables-which have significant increase in credit risk   | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| Disputed trade receivables-credit impaired                                  | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| <b>Gross Total</b>                                                          | <b>2,946.05</b> | -       | -                                                          | -                 | -           | -           | -                 | <b>2,946.05</b> |
| Less : Credit impaired                                                      | -               | -       | -                                                          | -                 | -           | -           | -                 | -               |
| <b>Total</b>                                                                | <b>2,946.05</b> | -       | -                                                          | -                 | -           | -           | -                 | <b>2,946.05</b> |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 15 Cash and cash equivalents

| Particulars           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------|-------------------------|-------------------------|
| Balances with banks   |                         |                         |
| - On current accounts | 458.91                  | 753.03                  |
| Cash on hand          | 0.07                    | 0.07                    |
| <b>Total</b>          | <b>458.98</b>           | <b>753.10</b>           |

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

## 16 Bank balances other than cash and cash equivalents

| Particulars                                                                                    | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Bank deposits with remaining maturity for more than three months but less than twelve months * | 3,113.11                | 982.73                  |
| <b>Total</b>                                                                                   | <b>3,113.11</b>         | <b>982.73</b>           |

\*The above deposit includes ₹1536.91 million as at March 31, 2026 (₹982.73 as at March 31, 2025) are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments.

Further, It also Includes proceeds from Initial Public Offer (IPO) of Rs. 1254.00 million (March 31, 2025: Nil) and will be utilised for the purpose as stated in the prospectus.

## 17 Other financial assets-current

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

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

## 18 Other assets

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 19 Equity share capital

| Particulars                                             | As at March 31, 2026 |               | As at March 31, 2025 |               |
|---------------------------------------------------------|----------------------|---------------|----------------------|---------------|
|                                                         | No. of shares        | Amount        | No. of shares        | Amount        |
| <b>Authorised share capital</b>                         |                      |               |                      |               |
| Equity shares of ₹2 each (₹2 each as at March 31, 2025) | 46,00,00,000         | 920.00        | 46,00,00,000         | 920.00        |
|                                                         | <b>46,00,00,000</b>  | <b>920.00</b> | <b>46,00,00,000</b>  | <b>920.00</b> |
| <b>Issued, subscribed and fully paid:</b>               |                      |               |                      |               |
| Equity shares of ₹2 each (₹2 each as at March 31, 2025) | 21,58,51,327         | 431.70        | 17,84,42,280         | 356.88        |
|                                                         | <b>21,58,51,327</b>  | <b>431.70</b> | <b>17,84,42,280</b>  | <b>356.88</b> |

### Note:

#### (a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| Particulars                                                                                         | As at March 31, 2026 |               | As at March 31, 2025 |               |
|-----------------------------------------------------------------------------------------------------|----------------------|---------------|----------------------|---------------|
|                                                                                                     | No. of shares        | Amount        | No. of shares        | Amount        |
| <b>Opening balance Equity shares of ₹ 2 each (Equity shares of ₹ 10 each for the previous year)</b> | 17,84,42,280         | 356.88        | 50,00,000            | 50.00         |
| Add: Equity shares issued during the year (₹10 each) *                                              | -                    | -             | 8,29,026             | 8.29          |
| <b>Total before split of ₹ 2 each (Equity shares of ₹ 10 each for the previous year)</b>            | <b>17,84,42,280</b>  | <b>356.88</b> | <b>58,29,026</b>     | <b>58.29</b>  |
| Adjustment for split of shares from ₹ 10 to ₹ 2 (Refer note below)                                  | -                    | -             | 2,91,45,130          | -             |
| Add: Equity shares issued during the year (₹ 2 each) #                                              | -                    | -             | 5,95,250             | 1.19          |
| Add: Bonus shares issued during the year (₹ 2 each)                                                 | -                    | -             | 14,87,01,900         | 297.40        |
| Add: Equity shares issued during the year due to Initial public offer (₹ 2 each) (refer note 52)    | 3,74,09,047          | 74.82         | -                    | -             |
| <b>Closing balance (Equity shares of ₹ 2 each)</b>                                                  | <b>21,58,51,327</b>  | <b>431.70</b> | <b>17,84,42,280</b>  | <b>356.88</b> |

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

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

### Sub-division of equity shares

During the previous year, the Company approved the sub-division of each equity share having a face value of ₹ 10 into 5 equity shares of ₹ 2 each, pursuant to the resolution passed by the shareholders at the extraordinary general meeting held on October 16, 2024. The share split became effective from the record date, November 06, 2024.

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

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

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 19 Equity share capital (Contd..)

### (c) Details of shareholders holding more than 5% shares in the Company are set out below

| Name of the shareholder | As at March 31, 2026 |               | As at March 31, 2025 |               |
|-------------------------|----------------------|---------------|----------------------|---------------|
|                         | No. of shares        | % of holding  | No. of shares        | % of holding  |
| Venugopalrao Maddisetty | 5,00,33,310          | 23.18%        | 5,00,33,310          | 28.04%        |
| Maddisetty Padma        | 4,99,83,330          | 23.16%        | 4,99,83,330          | 28.01%        |
| Rajiv Maddisetty        | 2,50,41,680          | 11.60%        | 2,49,91,680          | 14.01%        |
| Lahari Maddisetty       | 2,49,91,680          | 11.58%        | 2,49,91,680          | 14.01%        |
|                         | <b>15,00,50,000</b>  | <b>69.52%</b> | <b>15,00,00,000</b>  | <b>84.06%</b> |

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

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

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

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

### (e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :

The Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The Company has not bought back any class of shares during the period of five years immediately preceding the balance sheet date except the detail as mentioned below:

#### Bonus issue of equity shares

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 20 Other equity

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

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

### Nature and purpose of reserves:

#### (i) Retained earnings

Retained earnings are profit/loss that the Company has earned till date less transfer to other reserve, dividend or other distribution or transaction with shareholder.

#### (ii) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

#### (iii) Other comprehensive income

Other items of other comprehensive income consist of re-measurement of net defined benefit liability.

#### (iv) Securities premium

The securities premium account is used to record the premium received on the issue of shares. This reserve can be utilized only for limited purposes, such as the issuance of bonus shares, in accordance with the provisions of the Companies Act, 2013.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 21 Borrowings (Non current)

| Particulars                     | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------|-------------------------|-------------------------|
| <b>(A) Secured</b>              |                         |                         |
| <b>Term loan</b>                |                         |                         |
| from Banks                      | 13.65                   | 40.96                   |
| from financial institutions     | 60.66                   | 87.90                   |
| <b>Total secured borrowings</b> | <b>74.31</b>            | <b>128.86</b>           |

Secured loans are covered as follows :

| Particulars                                                                                                                                                                      | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>A. Loan from Bank</b>                                                                                                                                                         |                         |                         |
| <b>1) Guaranteed Emergency Credit Line (GECL) loan: Canara Bank</b>                                                                                                              | 13.65                   | 40.95                   |
| Less: Current maturities disclosed as short-term borrowings in note 26                                                                                                           | (13.65)                 | (27.30)                 |
| <b>(A)</b>                                                                                                                                                                       | <b>-</b>                | <b>13.65</b>            |
| <b>Terms &amp; conditions</b>                                                                                                                                                    |                         |                         |
| <b>Rate of interest:</b> Interest rate is a floating interest rate ranges from 6.25%-9.5% p.a. (March 31, 2025: 7.5%-9.25%p.a.)                                                  |                         |                         |
| <b>Repayment:</b> 48 EMI's with moratorium of 12 months w.e.f December 13, 2022                                                                                                  |                         |                         |
| <b>Security details:</b> Loan given under working capital limit, with securities of debtors & stock.                                                                             |                         |                         |
| <b>2) Guaranteed Emergency Credit Line (GECL) Loan: Canara Bank</b>                                                                                                              | 27.30                   | 40.95                   |
| Less: Current maturities disclosed as short-term borrowings in note 26                                                                                                           | (13.65)                 | (13.65)                 |
| <b>(B)</b>                                                                                                                                                                       | <b>13.65</b>            | <b>27.30</b>            |
| <b>Terms &amp; conditions</b>                                                                                                                                                    |                         |                         |
| <b>Rate of interest:</b> Interest rate is a floating interest rate ranges from 6.25%-9.5% p.a. (March 31, 2025: 7.5%-9.25%p.a.) "                                                |                         |                         |
| <b>Repayment:</b> 48 EMIs after moratorium period of 24 months i.e., December 06, 2023                                                                                           |                         |                         |
| <b>Security details:</b> Secured against debtors and stock                                                                                                                       |                         |                         |
| <b>B. Term loan from financial institution</b>                                                                                                                                   |                         |                         |
| <b>1) Indian Renewable Energy Development Agency Limited (Term loan)</b>                                                                                                         | 87.90                   | 115.13                  |
| Less: Current maturities disclosed as short-term borrowings in note 26                                                                                                           | (27.24)                 | (27.24)                 |
| <b>(C)</b>                                                                                                                                                                       | <b>60.66</b>            | <b>87.90</b>            |
| <b>Terms &amp; conditions</b>                                                                                                                                                    |                         |                         |
| <b>Rate of interest:</b> Interest rate is a floating interest rate ranges from 8.96%-10.25%p.a. (March 31, 2025: 8.96%-10.20%p.a.)                                               |                         |                         |
| <b>Repayment:</b> Repayable in quarterly installments over 10 Years                                                                                                              |                         |                         |
| <b>Security details:</b> Against charge on movable assets of project and personal guarantee of promoters as a financial assistance by Indian Renewable Energy Development Agency |                         |                         |
| <b>2) Guaranteed Emergency Credit Line (GECL) Loan - IREDA</b>                                                                                                                   | -                       | 12.91                   |
| Less: Current maturities disclosed as short-term borrowings in note 26                                                                                                           | -                       | (12.91)                 |
| <b>(D)</b>                                                                                                                                                                       | <b>-</b>                | <b>-</b>                |
| <b>Terms &amp; conditions</b>                                                                                                                                                    |                         |                         |
| <b>Rate of interest:</b> Interest rate is a floating interest rate ranges from Nil. (March 31, 2025: 8.96%-10.20%p.a.)                                                           |                         |                         |
| <b>Repayment:</b> Repayable in 48 EMI's w.e.f. 28.02.2022                                                                                                                        |                         |                         |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 21 Borrowings (Non current)

| Particulars                                                                                                              | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Security details:</b> Loan given under against charges on movable assets of project & personal guarantee of promoters |                         |                         |
| <b>3) Toyota Financial Services India Ltd.</b>                                                                           | -                       | 0.44                    |
| Less: Current maturities disclosed as short-term borrowings in note 26                                                   | -                       | (0.44)                  |
| (E)                                                                                                                      | -                       | -                       |
| <b>Terms &amp; conditions</b>                                                                                            |                         |                         |
| <b>Rate of interest:</b> 7.45% p.a                                                                                       |                         |                         |
| <b>Repayment:</b> Repayable in 36 EMIs                                                                                   |                         |                         |
| <b>Security details:</b> The above loan is for purchase of car                                                           |                         |                         |
| <b>Total long term borrowings (A+B+C+D+E)</b>                                                                            | <b>74.31</b>            | <b>128.86</b>           |
| <b>Total current maturities of long term borrowings</b>                                                                  | <b>54.54</b>            | <b>81.53</b>            |
| <b>Current maturities of long term borrowings from banks</b>                                                             | <b>27.30</b>            | <b>40.95</b>            |
| <b>Current maturities of long term borrowings from financial institutions</b>                                            | <b>27.24</b>            | <b>40.57</b>            |

## 22 Non - current lease liability

| Particulars                     | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------|-------------------------|-------------------------|
| Lease liability (Refer note 40) | 198.20                  | 4.52                    |
|                                 | <b>198.20</b>           | <b>4.52</b>             |

## 23 Other financial liabilities - Non current

| Particulars       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------|-------------------------|-------------------------|
| Security deposits | 5.03                    | 1.80                    |
|                   | <b>5.03</b>             | <b>1.80</b>             |

## 24 Provision - non current

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

## 25 Provisions - current

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 25 Provisions - current (Contd..)

### 25.1 Movement in provision for liquidated damages :

| Particulars                                 | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Balance at the beginning of the year</b> | <b>136.05</b>           | -                       |
| Recognised during the year                  | 12.63                   | 136.05                  |
| Utilised during the year                    | -                       | -                       |
| Reversed during the year                    | -                       | -                       |
| <b>Balance at the end of the year</b>       | <b>148.68</b>           | <b>136.05</b>           |

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

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

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

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

## 26 Current financial liabilities - borrowing

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 26 Current financial liabilities - borrowing (Contd..)

### i) Secured loans:-

#### Notes:

#### From banks

#### Details of cash credit and working capital demand loan:

- The Company has availed cash credit and working capital demand loan facilities from Canara Bank i.e sanctioned limit of ₹ 550.00 million, outstanding balance as at March 31,2026 : ₹ 398.28 million (March 31, 2025 : ₹ 413.65). These facilities are secured by pari-passu charge against all inventory and trade receivables,present and future, and are guranteed by director. The loan are repayable on demand and carry interest rate in the range of 9.70% to 11.75% P.a.
- The Company has availed cash credit and working capital demand loan facilities from HDFC Bank i.e sanctioned limit of ₹ 500 million, outstanding balance as at March 31,2026 : ₹ 495.55 million (March 31, 2025 : ₹Nil). These facilities are secured by pari-passu charge against all inventory and trade receivables present and future, and are guaranteed by director. The loan are repayable on demand and carry interest rate in the range of 8.75% P.a.
- Certain suppliers are subject to supplier financing arrangements whereby the original obligation to the supplier is extinguished upon payment by a financing institution and replaced by an obligation to the financier, with a significantly extended repayment period and outstanding balance as at (March 31,2026: ₹652.55 million, March 31, 2025: Nil).

### ii) Unsecured loan

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

#### Reconciliation between opening and closing liabilities arising from financing activities:

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 27 Lease liabilities

| Particulars                     | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------|-------------------------|-------------------------|
| Lease liability (Refer note 40) | 4.35                    | 3.92                    |
|                                 | <b>4.35</b>             | <b>3.92</b>             |

## 28 Trade payables

| (a) Particulars                                                                        | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises                      | 139.65                  | 131.15                  |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 13,002.18               | 10,238.89               |
|                                                                                        | <b>13,141.83</b>        | <b>10,370.04</b>        |
| <b>Of the above Trade payables amounts due to related parties are as below:</b>        |                         |                         |
| Trade payables due to related parties (refer note 42)                                  | <b>2,403.67</b>         | <b>3,848.74</b>         |

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

(b) **Disclosures relating to dues to Micro and Small Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 ("MSMED Act"), to the extent information available with the Company.**

| Particulars                                                                                                                                                                                                                                                                          | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| (a) Principal amount remaining unpaid to any supplier as at the end of the year                                                                                                                                                                                                      | 139.65                  | 131.15                  |
| Interest due thereon remaining unpaid to any supplier as at the end of the year                                                                                                                                                                                                      | -                       | 1.76                    |
| (b) Amount of interest paid by the buyer under MSMED Act, 2006 along with the amounts of the payment made to the supplier beyond the appointed day during the year                                                                                                                   | -                       | -                       |
| (c) Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year/period) but without adding the interest specified under the MSMED Act, 2006)                                                      | -                       | -                       |
| (d) The amount of interest accrued and remaining unpaid at the end of the year                                                                                                                                                                                                       | -                       | -                       |
| (e) The amount of further interest remaining due and payable even in the succeeding year, until such date when the interest dues as above are actually paid to the small enterprise, for the purpose of disallowance as a deductible expenditure under section 23 of MSMED Act 2006. | -                       | -                       |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 28 Trade payables (Contd..)

### (c) Trade payables ageing schedules

As at March 31, 2026

| Particulars                                                                            | Unbilled        | Not due         | Outstanding for following periods from due dates of payment as at March 31, 2026 |                 |              |                   | Total            |
|----------------------------------------------------------------------------------------|-----------------|-----------------|----------------------------------------------------------------------------------|-----------------|--------------|-------------------|------------------|
|                                                                                        |                 |                 | Less than 6 months                                                               | 1 - 2 years     | 2 - 3 years  | More than 3 years |                  |
| Total outstanding dues of micro enterprises and small enterprises                      | -               | 68.26           | 58.66                                                                            | 12.73           | 0.01         | -                 | 139.65           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 7,147.41        | 1,599.65        | 3,025.10                                                                         | 1,170.95        | 36.40        | 22.66             | 13,002.18        |
| Disputed dues of micro enterprises and small enterprises                               | -               | -               | -                                                                                | -               | -            | -                 | -                |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -               | -               | -                                                                                | -               | -            | -                 | -                |
| <b>Total</b>                                                                           | <b>7,147.41</b> | <b>1,667.91</b> | <b>3,083.76</b>                                                                  | <b>1,183.68</b> | <b>36.41</b> | <b>22.66</b>      | <b>13,141.84</b> |

As at March 31, 2025

| Particulars                                                                            | Unbilled        | Not due         | Outstanding for following periods from due dates of payment as at March 31, 2025 |              |              |                   | Total            |
|----------------------------------------------------------------------------------------|-----------------|-----------------|----------------------------------------------------------------------------------|--------------|--------------|-------------------|------------------|
|                                                                                        |                 |                 | Less than 6 months                                                               | 1 - 2 years  | 2 - 3 years  | More than 3 years |                  |
| Total outstanding dues of micro enterprises and small enterprises                      | -               | 100.28          | 30.68                                                                            | 0.19         | -            | -                 | 131.15           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 3,120.38        | 3,716.80        | 3,333.64                                                                         | 44.53        | 10.59        | 12.95             | 10,238.89        |
| Disputed dues of micro enterprises and small enterprises                               | -               | -               | -                                                                                | -            | -            | -                 | -                |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -               | -               | -                                                                                | -            | -            | -                 | -                |
| <b>Total</b>                                                                           | <b>3,120.38</b> | <b>3,817.08</b> | <b>3,364.32</b>                                                                  | <b>44.72</b> | <b>10.59</b> | <b>12.95</b>      | <b>10,370.03</b> |

#### Note:

- a) The Company engaged in business transactions with the related party, Pace Power Tanzania Limited, in a previous years for the import of goods or services. As a result, the Company has outstanding foreign currency payables amounting to ₹ 1.18 million. However, these payables have remained unsettled for more than three years from the transaction date, as Pace Power Tanzania Limited does not have a bank account to which the company can transfer the funds within the timeframe prescribed under the Foreign Exchange Management Act, 1999.

In accordance with the Reserve Bank of India's (RBI) Master Direction on the Import of Goods and Services, prior approval from an AD Category-I Bank/RBI is required for an extension, except in cases where the foreign currency payable is settled within six months or within 12 months if the shipment date for imports was on or before July 31, 2020. The Company is subject to approval from the AD Category-I Bank/RBI to ensure compliance with the Foreign Exchange Management Act, 1999.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 29 Other financial liabilities - current

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

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

### 30.1 Other current liabilities

| Particulars            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------|-------------------------|-------------------------|
| Statutory liabilities* | 137.06                  | 165.88                  |
| Contract liabilities # | 1,518.08                | 16.75                   |
| <b>Total</b>           | <b>1,655.14</b>         | <b>182.63</b>           |

\*It includes amounts related to statutory dues such as Income Tax, Goods and Services Tax (GST), Employees State Insurance (ESI), and Provident Fund (PF) etc.

# It includes balance from related party of ₹1,500.49 million as at March 31, 2026 (Nil as at March 31, 2025) and refer note 42

### 30.2 Other non current liabilities

| Particulars          | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------|-------------------------|-------------------------|
| Contract liabilities | 316.41                  | -                       |
| <b>Total</b>         | <b>316.41</b>           | <b>-</b>                |

## 31 Current tax liabilities (net)

| Particulars                                                                                                                           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Provision for income tax (net of advance tax and TDS of ₹ 308.07 million at March 31, 2026 and ₹ 141.07 million as at March 31, 2025) | 450.67                  | 762.59                  |
| <b>Total</b>                                                                                                                          | <b>450.67</b>           | <b>762.59</b>           |

## 32 Revenue from operations

| A. Particulars                                               | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Sale of products and services</b>                         |                                         |                                         |
| Sale of products                                             | 804.60                                  | 16.59                                   |
| Sale-engineering, procurement and construction project (EPC) | 15,673.36                               | 22,511.49                               |
| Sale of services                                             | 630.12                                  | 182.88                                  |
| <b>Total revenue from operations</b>                         | <b>17,108.08</b>                        | <b>22,710.96</b>                        |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 32 Revenue from operations (Contd..)

### B. Disaggregation of revenue from contracts with customers :

The Company undertakes Telecom Towers, Transmission Line Towers survey, Tower Accessories, supply of materials, design, erection, testing and commissioning on a turnkey basis, development, operation and maintenance of EPC projects, generation of power from renewable energy sources i.e. solar, rooftop solar projects and related ancillary services and operating and maintaining solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP) and trading of goods and other related services.

### C. The following table provides information about revenue recognised over point in time and satisfied over time

| Particulars                                  | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|----------------------------------------------|-----------------------------------------|-----------------------------------------|
| Point in time                                | 804.60                                  | 16.59                                   |
| Satisfied over time                          | 16,303.48                               | 22,694.37                               |
| <b>Revenue from contracts with customers</b> | <b>17,108.08</b>                        | <b>22,710.96</b>                        |

### D. Geographic revenue

| Particulars   | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|---------------|-----------------------------------------|-----------------------------------------|
| Within India  | 17,108.08                               | 22,710.96                               |
| Outside India | -                                       | -                                       |
| <b>Total</b>  | <b>17,108.08</b>                        | <b>22,710.96</b>                        |

### E. Contract assets

| Particulars              | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------------------|-----------------------------------------|-----------------------------------------|
| Opening Balance          | -                                       | -                                       |
| Less: Bills raised       | -                                       | -                                       |
| Addition during the year | -                                       | -                                       |
| <b>Closing balance</b>   | <b>-</b>                                | <b>-</b>                                |

### F. Contract liabilities

| Particulars                                                | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------|-------------------------|-------------------------|
| Balance at beginning of the year                           | 16.75                   | 3.82                    |
| Additional amount billed but not recognized as revenue     | 1,834.49                | 12.93                   |
| Deduction on account of revenue recognized during the year | (16.75)                 | -                       |
| <b>Balance at the end of the year</b>                      | <b>1,834.49</b>         | <b>16.75</b>            |



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 32 Revenue from operations (Contd..)

### G. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

| Particulars                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------|-------------------------|-------------------------|
| -Receivables, which are included in 'trade receivables' | 19,752.35               | 14,440.76               |
| Contract assets (unbilled revenue)                      | -                       | -                       |
| Contract liabilities (unearned revenue)                 | 1,834.49                | 16.75                   |

### H. Reconciliation of contract price

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

\*The Company evaluated certain customer arrangements, including the related contractual terms and conditions, and concluded that the sale of products should be presented net of against purchases of value-added products from the same counterparty, as such presentation appropriately reflects the commercial substance of these transactions. Accordingly, in compliance with the requirements of Ind AS 115, Revenue from Contracts with Customers, revenue amounting to ₹ 1,112.48 million for the year ended March 31, 2026 (March 31, 2025: Nil) has been recognized and presented on a net basis.

The Company earned revenue from one external customers during the current year, and from one external customer in the previous year, each of whom individually contributed 10% or more of the total revenue in the respective reporting periods.

## 33 Other income

| Particulars                                                            | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Interest income from financial assets carried at amortised cost</b> |                                         |                                         |
| Fixed deposits with banks                                              | 205.07                                  | 150.40                                  |
| Fair value gain on measurement of optionally convertible debentures    | 57.96                                   | -                                       |
| Interest income on loan                                                | 23.33                                   | -                                       |
| Interest income of security deposit                                    | 1.10                                    | 2.18                                    |
| <b>Other non-operating income</b>                                      |                                         |                                         |
| Rental income*                                                         | 62.74                                   | 6.93                                    |
| Interest income on corporate gurantee                                  | 8.58                                    | 12.00                                   |
| Balance written back                                                   | -                                       | 102.48                                  |
| Mangement support services                                             | 109.50                                  | 97.87                                   |
| Profit on sale of property, plant and equipment                        | 0.39                                    | -                                       |
| <b>Other gains/ (losses)</b>                                           |                                         |                                         |
| Reversal of expected credit loss                                       | -                                       | 9.56                                    |
| Miscellaneous income                                                   | -                                       | 0.81                                    |
| <b>Total</b>                                                           | <b>468.67</b>                           | <b>382.23</b>                           |

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 34 Cost of materials consumed

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

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

### 34.1 Engineering, procurement and construction project expenses

| Particulars                                                | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Engineering, procurement and construction project expenses | 7,965.60                                | 8,411.45                                |
| <b>Total</b>                                               | <b>7,965.60</b>                         | <b>8,411.45</b>                         |

### 34.2 Purchases of Stock-in-Trade

| Particulars  | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------|-----------------------------------------|-----------------------------------------|
| Purchases    | 747.02                                  | -                                       |
| <b>Total</b> | <b>747.02</b>                           | <b>-</b>                                |

## 35 Employee benefits expense

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 36 Finance costs

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

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

## 37 Depreciation and amortisation expense

| Particulars                                                  | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Depreciation on property, plant and equipment (Refer note 3) | 44.28                                   | 13.48                                   |
| Depreciation on investment property (Refer note 6)           | 8.59                                    | 0.92                                    |
| Amortisation on right to use assets (Refer note 5)           | 4.34                                    | 3.78                                    |
| Amortisation on other intangible assets (Refer note 7)       | 15.69                                   | 15.58                                   |
|                                                              | <b>72.90</b>                            | <b>33.76</b>                            |

## 38 Other expenses

| Particulars                         | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-------------------------------------|-----------------------------------------|-----------------------------------------|
| Power and fuel                      | 38.58                                   | 18.37                                   |
| Bank charges                        | 22.14                                   | 1.93                                    |
| Rent                                | 143.68                                  | 200.65                                  |
| Insurance                           | 16.20                                   | 47.00                                   |
| Rates & taxes                       | 34.12                                   | 44.56                                   |
| Repairs & maintenance               |                                         |                                         |
| Plant and equipment                 | 3.32                                    | 2.88                                    |
| Buildings                           | 5.58                                    | 6.50                                    |
| Others                              | 14.65                                   | 9.27                                    |
| Communication expenses              | 9.54                                    | 11.15                                   |
| Bad debts written off               | 3.09                                    | 24.36                                   |
| Loss allowance for trade receivable | 105.89                                  | -                                       |
| Travelling and conveyance           | 114.89                                  | 159.65                                  |
| Printing & stationery               | 3.06                                    | 2.14                                    |
| Advertisement and sales promotion   | 7.50                                    | 3.82                                    |
| Legal and professional fees         | 142.89                                  | 180.18                                  |
| Security charges                    | 9.09                                    | 6.91                                    |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 38 Other expenses (Contd..)

| Particulars                               | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-------------------------------------------|-----------------------------------------|-----------------------------------------|
| Donation*                                 | 0.07                                    | 50.10                                   |
| Auditor's remuneration and expenses       | 4.05                                    | 10.80                                   |
| Balance written off                       | 0.05                                    | 28.80                                   |
| Corporate social responsibility           | 36.80                                   | 16.02                                   |
| Net loss on foreign currency transactions | 1.03                                    | 1.00                                    |
| Miscellaneous expenses                    | 13.92                                   | 17.12                                   |
| <b>Total</b>                              | <b>730.14</b>                           | <b>843.21</b>                           |

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

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

| Particulars                                   | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-----------------------------------------------|-----------------------------------------|-----------------------------------------|
| Statutory audit fee                           | 4.05                                    | 3.00                                    |
| Special purpose audit and certifications fees | -                                       | 7.80                                    |
|                                               | <b>4.05</b>                             | <b>10.80</b>                            |

### (b) The details of Corporate Social Responsibility as prescribed under section 135 of the companies Act, 2013 are as follows:

As per provisions of section 135 of the Companies Act, 2013, the Company has to incur at least 2% of average net profits of the preceding three financial years towards Corporate Social Responsibility ("CSR"). Accordingly, a CSR committee has been formed for carrying out CSR activities as per the Schedule VII of the Companies Act, 2013. Details are as below:

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

#### Amount voluntary spent during the year on :

| Particulars                                                                                              | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| a) Amount required to be spent by the Company during the year as per Section 135 of companies Act, 2013. | 36.47                                   | 16.02                                   |
| b) Amount approved by the Board to be spent during the year                                              | 36.47                                   | 16.02                                   |
| <b>c) Amount of expenditure incurred on :</b>                                                            |                                         |                                         |
| (i) Construction/acquisition of any assets                                                               | (29.32)                                 | -                                       |
| (ii) On purposes other than (i) above                                                                    | (25.58)                                 | (1.63)                                  |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 38 Other expenses (Contd..)

| Particulars                                              | For the year ended March 31, 2026                | For the year ended March 31, 2025    |
|----------------------------------------------------------|--------------------------------------------------|--------------------------------------|
| (d) Total of previous year shortfall/(surplus)           | 18.43                                            | 4.04                                 |
| (e) Shortfall/(surplus) at the end of the year           | -                                                | 18.43                                |
|                                                          | -                                                | <b>18.43</b>                         |
| <b>Amount recognised in statement of profit and loss</b> | <b>36.47</b>                                     | <b>16.02</b>                         |
| <b>Total amount spent</b>                                | <b>54.90</b>                                     | <b>1.63</b>                          |
| <b>Amount yet to be spent</b>                            | -                                                | <b>18.43</b>                         |
| Reason for shortfall                                     | NA                                               | NA                                   |
| Nature of CSR activities                                 | Contribution for promoting education and health. | Contribution for promoting education |
| Details of related party transactions                    | No                                               | No                                   |

### Details of ongoing CSR expense under Section 135(6) of the Act

| Year       | Opening Balance  |                             | Amount required to be spent during the year | Amount spent during the year* |                                   | Closing balance  |                             |
|------------|------------------|-----------------------------|---------------------------------------------|-------------------------------|-----------------------------------|------------------|-----------------------------|
|            | With the Company | In Separate CSR Unspent A/c |                                             | From Company's bank account   | From Separate CSR Unspent account | With the Company | In Separate CSR Unspent A/c |
| FY 2025-26 | -                | -                           | 6.53                                        | 6.53                          | -                                 | -                | -                           |
| FY 2024-25 | -                | -                           | 1.63                                        | 1.63                          | -                                 | -                | -                           |

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

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

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

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 39 Earnings per Share ("EPS")

The Company presents the basic and diluted EPS data for its equity shares

- (i) **Basic EPS** is computed by dividing the net profit for the year attributable to the equity shareholders of the Company by the weighted average number of equity shares outstanding during the year;
- (ii) **Diluted EPS** is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The following table sets forth the computation of basic and diluted earnings per share:

| Particulars                                                                                                             | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Net profit for the year attributable to equity shareholders (in Rupee) (A)                                              | 2,464.80                                | 2,333.31                                |
| <b>Number of equity share at the beginning of the year</b>                                                              | 17,84,42,280                            | 50,00,000                               |
| Add: Share issued during the year through private placement                                                             | -                                       | 8,29,026                                |
| <b>Total no of shares before split (Equity shares of ₹ 2 each and Equity shares of ₹ 10 each for the previous year)</b> | <b>17,84,42,280</b>                     | <b>58,29,026</b>                        |
| Add: Stock split ratio 1:5                                                                                              | -                                       | 2,91,45,130                             |
| Add: Share issued during the year through private placement                                                             | -                                       | 5,95,250                                |
| Add: Bonus shares issued during the year                                                                                | -                                       | 14,87,01,900                            |
| Add: Share issued during the year through Initial Public Offer (IPO)                                                    | 3,74,09,047                             | -                                       |
| <b>Number of equity share at the end of the year</b>                                                                    | <b>21,58,51,327</b>                     | <b>17,84,42,280</b>                     |
| Weighted average number of equity shares outstanding during the year for computing Basic EPS (B)                        | 19,68,90,577                            | 16,42,23,556                            |
| Dilutive effect on weighted average number of equity shares outstanding during the year                                 | -                                       | -                                       |
| Weighted average number of equity shares in calculating diluted EPS (C)                                                 | 19,68,90,577                            | 16,42,23,556                            |
| Face value of equity shares (₹)                                                                                         | 2.00                                    | 2.00                                    |
| <b>Basic earnings per share (A/B) (₹)</b>                                                                               | <b>12.52</b>                            | <b>14.21</b>                            |
| <b>Diluted earnings per share (A/C) (₹)</b>                                                                             | <b>12.52</b>                            | <b>14.21</b>                            |

### Note:

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

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 40 A. Leases as lessee

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

### a) Amounts recognised in profit or loss

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

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

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

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

| Particulars                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------|-------------------------|-------------------------|
| Current lease liabilities     | 4.35                    | 3.92                    |
| Non-current lease liabilities | 198.20                  | 4.52                    |
| <b>Total</b>                  | <b>202.55</b>           | <b>8.44</b>             |

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

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

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

## B. Company's as a lessor

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 41 Tax expenses

### A. Income tax expense recognised in statement of profit and loss

| Particulars                      | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|----------------------------------|-----------------------------------------|-----------------------------------------|
| Current tax                      | 945.08                                  | 953.65                                  |
| Earlier year tax adjustments     | 4.24                                    | 31.61                                   |
| Deferred tax charge/(credit)     | 40.72                                   | (126.16)                                |
| <b>Tax expenses for the year</b> | <b>990.04</b>                           | <b>859.10</b>                           |

### B. Reconciliation of income tax expense

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

| Particulars                                                                  | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Reconciliation of effective tax rate</b>                                  |                                         |                                         |
| Accounting profit/(loss) before income tax (A)                               | 3,454.84                                | 3,192.41                                |
| Enacted income tax rate (%)                                                  | 25.17%                                  | 25.17%                                  |
| <b>Tax amount on enacted income tax rate in India</b>                        | <b>869.51</b>                           | <b>803.46</b>                           |
| <b>Tax effect of :</b>                                                       |                                         |                                         |
| Non deductible                                                               |                                         |                                         |
| Tax effect of amounts which are not deductible in calculating taxable income | 121.02                                  | 42.52                                   |
| Tax effect of amounts chargeable at special rate                             | (4.74)                                  | (0.52)                                  |
| Adjustments in respect of current income tax of previous year                | 4.24                                    | 13.99                                   |
| others                                                                       | -                                       | (0.35)                                  |
| <b>Income tax expenses recognised in the statement of profit and loss</b>    | <b>990.04</b>                           | <b>859.10</b>                           |

### C. Amount recognised in other comprehensive income

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 41 Tax expenses (Contd..)

### D. Deferred tax balances

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

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

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 42 Related party disclosures:

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", notified under section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time)}, are disclosed below:

### A. Names of related parties and description of relationship:

#### Related parties where control exists:

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

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

#### Key management personnel (KMP):

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

#### Relatives of key management personnel

| Entity name             | Relationship                |
|-------------------------|-----------------------------|
| Mudduluru Dheeraj Varma | Brother of Maddisetty Padma |

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

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

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 42 Related party disclosures: (Contd..)

### B. Transactions with the related parties for the year ended

| Particulars                                     | For the year ended<br>March 31, 2026 | For the year ended<br>March 31, 2025 |
|-------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Revenue from operation</b>                   |                                      |                                      |
| Lineage Power Private Limited                   | 18.07                                | 27.53                                |
| Lanarsy Infra Private Limited                   | -                                    | 17.04                                |
| Pace Renewable Energies Private Limited         | 3,147.33                             | -                                    |
| <b>Total</b>                                    | <b>3,165.40</b>                      | <b>44.57</b>                         |
| <b>Reimbursement of expenses</b>                |                                      |                                      |
| Lanarsy Infra Private Limited                   | 3.37                                 | 11.96                                |
| <b>Total</b>                                    | <b>3.37</b>                          | <b>11.96</b>                         |
| <b>Management support services</b>              |                                      |                                      |
| Lineage Power Private Limited                   | 100.32                               | 97.87                                |
| Pace Renewable Energies Private Limited         | 9.18                                 | -                                    |
| <b>Total</b>                                    | <b>109.50</b>                        | <b>97.87</b>                         |
| <b>Rent Received</b>                            |                                      |                                      |
| Lineage Power Private Limited                   | 54.95                                | -                                    |
| <b>Total</b>                                    | <b>54.95</b>                         | <b>-</b>                             |
| <b>Interest income on loan</b>                  |                                      |                                      |
| Pace Renewable Energies Private Limited         | 22.36                                | -                                    |
| <b>Total</b>                                    | <b>22.36</b>                         | <b>-</b>                             |
| <b>Other income</b>                             |                                      |                                      |
| <b>Corporate guarantee balance written back</b> |                                      |                                      |
| Pace Renewable Energies Private Limited         | -                                    | 102.48                               |
| <b>Total</b>                                    | <b>-</b>                             | <b>102.48</b>                        |
| <b>Other expenses</b>                           |                                      |                                      |
| <b>Balance written off</b>                      |                                      |                                      |
| Lineage Power Private Limited                   | -                                    | 28.80                                |
| Ap Digital Infra Private Limited                | 0.12                                 | -                                    |
| <b>Total</b>                                    | <b>0.12</b>                          | <b>28.80</b>                         |

| Particulars                                                       | For the year ended<br>March 31, 2026 | For the year ended<br>March 31, 2025 |
|-------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>Purchases</b>                                                  |                                      |                                      |
| Lineage Power Private Limited                                     | 2,784.00                             | 4,600.44                             |
| <b>Total</b>                                                      | <b>2,784.00</b>                      | <b>4,600.44</b>                      |
| <b>Engineering, procurement and construction project expenses</b> |                                      |                                      |
| Lanarsy Infra Private Limited                                     | 1,148.91                             | 1,355.84                             |
| <b>Total</b>                                                      | <b>1,148.91</b>                      | <b>1,355.84</b>                      |
| <b>Rental deposit received</b>                                    |                                      |                                      |
| Pace Power Systems                                                | -                                    | 9.70                                 |
| <b>Total</b>                                                      | <b>-</b>                             | <b>9.70</b>                          |
| <b>Rent paid</b>                                                  |                                      |                                      |
| Pace Power Systems                                                | 1.87                                 | 1.85                                 |
| <b>Total</b>                                                      | <b>1.87</b>                          | <b>1.85</b>                          |
| <b>Compensation to key management personnel:</b>                  |                                      |                                      |
| <b>Short term employee benefits</b>                               |                                      |                                      |
| Venugopalrao Maddisetty                                           | 22.87                                | 22.87                                |
| Maddisetty Padma                                                  | 20.33                                | 20.33                                |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 42 Related party disclosures: (Contd..)

| Particulars                                             | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|---------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Rajiv Maddisetty                                        | 10.92                                   | 10.92                                   |
| Pandidurai Rajavendhan                                  | 7.79                                    | 6.20                                    |
| Meghana Manchaiah Purushotham                           | 1.95                                    | 0.84                                    |
| <b>Total</b>                                            | <b>63.86</b>                            | <b>61.16</b>                            |
| <b>Post employee benefits</b>                           |                                         |                                         |
| Venugopalrao Maddisetty                                 | 2.00                                    | -                                       |
| Maddisetty Padma                                        | 0.12                                    | 0.12                                    |
| Rajiv Maddisetty                                        | 0.78                                    | 0.18                                    |
| Pandidurai Rajavendhan                                  | 0.18                                    | 0.20                                    |
| Meghana Manchaiah Purushotham                           | 0.02                                    | 0.02                                    |
| <b>Total</b>                                            | <b>3.09</b>                             | <b>0.52</b>                             |
| <b>Sitting fee to independent directors</b>             |                                         |                                         |
| Om Prakash Mishra                                       | 2.80                                    | 0.20                                    |
| Prabhakar Reddy Patil                                   | 2.70                                    | 0.10                                    |
| Satishchandra B Ogale                                   | 3.30                                    | 0.20                                    |
| <b>Total</b>                                            | <b>8.80</b>                             | <b>0.50</b>                             |
| <b>Interest income on corporate guarantee provided</b>  |                                         |                                         |
| Lineage Power Private Limited                           | -                                       | 12.00                                   |
| Pace Renewable Energies Private Limited                 | 8.58                                    | -                                       |
| <b>Total</b>                                            | <b>8.58</b>                             | <b>12.00</b>                            |
| <b>Interest expense on corporate guarantee received</b> |                                         |                                         |
| Lineage Power Private Limited                           | -                                       | 11.25                                   |
| Pace Renewable Energies Private Limited                 | -                                       | 6.06                                    |
| <b>Total</b>                                            | <b>-</b>                                | <b>17.31</b>                            |
| <b>Interest expenses on borrowings taken</b>            |                                         |                                         |
| Venugopalrao Maddisetty                                 | 2.30                                    | 12.05                                   |
| Maddisetty Padma                                        | 6.48                                    | 9.79                                    |
| Pace Renewable Energies Private Limited                 | 18.19                                   | 56.63                                   |
| Pace Power Systems                                      | -                                       | 7.38                                    |
| <b>Total</b>                                            | <b>26.97</b>                            | <b>85.85</b>                            |
| <b>Loans given</b>                                      |                                         |                                         |
| Pace Renewables Energies Private Limited                | 428.93                                  | -                                       |
| <b>Total</b>                                            | <b>428.93</b>                           | <b>-</b>                                |
| <b>Repayment of borrowings</b>                          |                                         |                                         |
| Venugopalrao Maddisetty                                 | 91.39                                   | 19.53                                   |
| Maddisetty Padma                                        | 79.72                                   | 14.78                                   |
| Pace Renewable Energies Private Limited                 | 485.64                                  | 146.77                                  |
| <b>Total</b>                                            | <b>656.76</b>                           | <b>181.08</b>                           |
| <b>Borrowings made during the year</b>                  |                                         |                                         |
| Pace Power Systems                                      | -                                       | 47.00                                   |
| Pace Renewables Energies Private Limited                | -                                       | 45.00                                   |
| <b>Total</b>                                            | <b>-</b>                                | <b>92.00</b>                            |
| <b>Advances given during the year</b>                   |                                         |                                         |
| Ap Digital Infra Private Limited                        | -                                       | 0.17                                    |
| Inso Pace Private Limited                               | 2.51                                    | 0.18                                    |
| <b>Total</b>                                            | <b>2.51</b>                             | <b>0.34</b>                             |
| <b>Payments on behalf of</b>                            |                                         |                                         |
| Lineage Power Private Limited                           | 567.53                                  | 759.18                                  |
| Pace Renewable Energies Private Limited                 | 116.10                                  | 16.15                                   |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 42 Related party disclosures: (Contd..)

| Particulars                                            | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Pace Power Systems                                     | 3.59                                    | 12.63                                   |
| Inso Pace Private Limited                              | 0.01                                    | -                                       |
| <b>Total</b>                                           | <b>687.23</b>                           | <b>787.96</b>                           |
| <b>Investments</b>                                     |                                         |                                         |
| <b>Investment in Optionally Convertible Debentures</b> |                                         |                                         |
| Pace Renewable Energies Private Limited                | 3,150.00                                | -                                       |
| <b>Total</b>                                           | <b>3,150.00</b>                         | <b>-</b>                                |
| <b>Advance salary</b>                                  |                                         |                                         |
| Rajiv Maddisetty                                       | 2.47                                    | 1.00                                    |
| <b>Total</b>                                           | <b>2.47</b>                             | <b>1.00</b>                             |
| <b>Investment in equity shares</b>                     |                                         |                                         |
| Pace Renewable Energies Private Limited                | 1,750.00                                | -                                       |
| TransGreenx Energy Private Limited                     | 0.10                                    | -                                       |
| Lineage Defence And Aerospace Private Limited          | 0.10                                    | -                                       |
| Pace Ecoplanet Solace Private Limited                  | 0.10                                    | -                                       |
| <b>Total</b>                                           | <b>1,750.30</b>                         | <b>-</b>                                |
| <b>Equity shares issued during the year</b>            |                                         |                                         |
| Mudduluru Dheeraj Varma                                | -                                       | 1.00                                    |
| <b>Total</b>                                           | <b>-</b>                                | <b>1.00</b>                             |

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

| Particulars                                 | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Trade receivables</b>                    |                         |                         |
| Pace Renewable Energies Private Limited     | 569.84                  | -                       |
| Lanarsy Infra Private Limited               | 18.77                   | 14.79                   |
| Inso Pace Private Limited                   | 2.68                    | -                       |
| Pace Power Systems                          | 1.57                    | -                       |
| <b>Total</b>                                | <b>592.86</b>           | <b>14.79</b>            |
| <b>Trade payables</b>                       |                         |                         |
| Lineage Power Private Limited               | 150.00                  | 2,098.56                |
| Lanarsy Infra Private Limited               | 2,250.54                | 1,746.43                |
| Pace Power Tanzania Limited                 | 1.18                    | 1.79                    |
| Pace Infra                                  | 1.95                    | 1.95                    |
| <b>Total</b>                                | <b>2,403.67</b>         | <b>3,848.74</b>         |
| <b>Other current liabilities</b>            |                         |                         |
| <b>Contract liability</b>                   |                         |                         |
| Pace Renewable Energies Private Limited     | 1,500.49                | -                       |
| <b>Total</b>                                | <b>1,500.49</b>         | <b>-</b>                |
| <b>Other current asset</b>                  |                         |                         |
| <b>Advance to suppliers</b>                 |                         |                         |
| Lineage Power Private Limited               | 1,276.69                | -                       |
| Ogno Digital Infrastructure Private Limited | 8.03                    | 8.03                    |
| Inso Pace Private Limited                   | -                       | 0.17                    |
| Ap Digital Infra Private Limited            | -                       | 0.12                    |
| <b>Total</b>                                | <b>1,284.72</b>         | <b>8.32</b>             |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 42 Related party disclosures: (Contd..)

| Particulars                                          | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------|-------------------------|-------------------------|
| <b>Other financial liability</b>                     |                         |                         |
| <b>Interest payable against corporate guarantee</b>  |                         |                         |
| Lineage Power Private Limited                        | -                       | 11.25                   |
| Pace Renewable Energies Private Limited              | -                       | 6.06                    |
| <b>Total</b>                                         | <b>-</b>                | <b>17.31</b>            |
| <b>Loans receivable</b>                              |                         |                         |
| Pace Renewable Energies Private Limited              | 448.46                  | -                       |
| <b>Total</b>                                         | <b>448.46</b>           | <b>-</b>                |
| <b>Borrowings</b>                                    |                         |                         |
| Venugopalrao Maddisetty                              | 22.94                   | 112.03                  |
| Maddisetty Padma                                     | 22.42                   | 95.66                   |
| Pace Renewable Energies Private Limited              | -                       | 551.24                  |
| <b>Total</b>                                         | <b>45.36</b>            | <b>758.93</b>           |
| <b>Deposit</b>                                       |                         |                         |
| <b>Rental deposit</b>                                |                         |                         |
| Pace Power Systems                                   | 1.10                    | 1.10                    |
| <b>Total</b>                                         | <b>1.10</b>             | <b>1.10</b>             |
| <b>Advance salary</b>                                |                         |                         |
| Rajiv Maddisetty                                     | 3.47                    | 1.00                    |
| <b>Total</b>                                         | <b>3.47</b>             | <b>1.41</b>             |
| <b>Other financial asset</b>                         |                         |                         |
| <b>Amount receivable from related party</b>          |                         |                         |
| Pace Renewable Energies Private Limited              | 94.80                   | -                       |
| Lineage Power Private Limited                        | -                       | 12.00                   |
| <b>Total</b>                                         | <b>94.80</b>            | <b>12.00</b>            |
| <b>Remuneration payable to key managerial person</b> |                         |                         |
| Venugopalrao Maddisetty                              | 1.91                    | 1.91                    |
| Maddisetty Padma                                     | 1.69                    | 1.69                    |
| Rajiv Maddisetty                                     | 0.91                    | 0.91                    |
| Pandidurai Rajavendhan                               | 0.57                    | 0.95                    |
| Meghana Manchaiah Purushotham                        | 0.17                    | 0.12                    |
| <b>Total</b>                                         | <b>5.25</b>             | <b>5.58</b>             |

### Note:

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

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 42 Related party disclosures: (Contd..)

- ii. Company has provided joint corporate guarantees with Pace Renewable Energies Private Limited and Pace Power System on behalf of the Lineage Power Private Limited to canara bank for the various credit facilities extended by the lenders (including non-fund based facilities). The said corporate guarantee continues to remain in force during the current year. Further, based on a valuation carried out by an independent valuer, the fair value of the corporate guarantee is determined to be Nil, and accordingly, no corporate guarantee interest has been charged or recognised.

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

| Particulars                                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------------|-------------------------|-------------------------|
| Closing balance of joint corporate guarantees provided | 1,200.00                | 1,200.00                |

- iii. Pace Renewable Energies Private Limited, Lineage Power Private Limited and Pace Power System have provided joint corporate guarantees on behalf of the Company to canara bank for the various credit facilities extended by the lenders (including non-fund based facilities). The said corporate guarantee continues to remain in force during the current year. Further, based on a valuation carried out by an independent valuer, the fair value of the corporate guarantee is determined to be Nil, and accordingly, no corporate guarantee interest has been charged or recognised.

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

| Particulars                                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------------|-------------------------|-------------------------|
| Closing balance of joint corporate guarantees received | 7,070.00                | 6,615.70                |

- iv. Related parties and their relationships are as identified by the management and relied upon by the auditors. All transactions are conducted in the ordinary course of business and at arm's length.
- v. No termination benefits or share-based payment arrangements existed during the year March 31, 2026 and March 31, 2025 and accordingly no related expense, liability, or reserve has been recognised.

## 43 Employee benefits

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

### Defined contribution plans:

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

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

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 43 Employee benefits (Contd..)

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

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

### Defined benefit plan- gratuity

The Company operates following defined benefit obligations:

**Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation on the reporting date.

The following tables summaries the components of net benefits expense recognised in the statement of profit and loss (including other comprehensive income) and the amount recognised in the statement of assets and liabilities for the respective period.

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

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset)/liability and its components

| Particulars                                 | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Balance at the beginning of the year</b> | <b>35.03</b>            | <b>29.08</b>            |
| Current service cost                        | 11.86                   | 8.64                    |
| Interest cost                               | 2.41                    | 1.96                    |
| Benefit payments from employer              | -                       | (4.02)                  |
| Actuarial loss / (gain) arising from:       |                         |                         |
| - demographic assumptions                   | (0.51)                  | -                       |
| - financial assumptions                     | (0.44)                  | 1.20                    |
| - experience adjustment                     | (1.91)                  | (1.82)                  |
| <b>Balance at the end of the year</b>       | <b>46.44</b>            | <b>35.03</b>            |

#### ii) Reconciliation of the net defined benefit liability / (asset)

| Particulars                                    | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------|-------------------------|-------------------------|
| Present value of funded obligation             | -                       | -                       |
| Fair value of plan assets                      | -                       | -                       |
| Present value of unfunded obligation           | 46.44                   | 35.03                   |
| <b>Net defined benefit liability / (asset)</b> | <b>46.44</b>            | <b>35.03</b>            |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 43 Employee benefits (Contd..)

### iii) Amounts recognised in profit or loss

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

### iv) Amounts recognised in the other comprehensive income

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

### v) Amounts recognised in the statement of profit or loss

| Particulars                            | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|----------------------------------------|-----------------------------------------|-----------------------------------------|
| Cost recognised in P&L                 | 14.27                                   | 10.60                                   |
| Remeasurement effect recognised in OCI | (2.86)                                  | (0.62)                                  |
| <b>Net expense</b>                     | <b>11.42</b>                            | <b>9.97</b>                             |

### vi) Bifurcation of present value of obligation at the end of the year

| Particulars            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------|-------------------------|-------------------------|
| Current liability      | 4.03                    | 1.69                    |
| Non current liability  | 42.42                   | 33.33                   |
| <b>Total liability</b> | <b>46.44</b>            | <b>35.03</b>            |

### vii) Sensitivity analysis\*

The following were the principal actuarial assumptions at the reporting date

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 43 Employee benefits (Contd..)

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

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

### Note:

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

## 44 Disclosure on financial instruments

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

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the standalone financial statements.

### A. Accounting classification, fair values measurements and fair value hierarchy

| Particulars                                                    | As at March 31, 2026 |             | As at March 31, 2025 |             |
|----------------------------------------------------------------|----------------------|-------------|----------------------|-------------|
|                                                                | Carrying values      | Fair values | Carrying values      | Fair values |
| <b>Details of financial assets and financial liabilities :</b> |                      |             |                      |             |
| <b>Financial assets measured at amortised cost</b>             |                      |             |                      |             |
| Trade receivables                                              | 19,752.35            | 19,752.35   | 14,440.76            | 14,440.76   |
| Cash & cash equivalents                                        | 458.98               | 458.98      | 753.10               | 753.10      |
| Bank balances other than cash and cash equivalents             | 3,113.11             | 3,113.11    | 982.73               | 982.73      |
| Loans                                                          | 448.46               | 448.46      | -                    | -           |
| Other financial assets                                         | 3,350.56             | 3,350.56    | 3,718.00             | 3,718.00    |
| <b>Financial assets measured at cost</b>                       |                      |             |                      |             |
| Investment in subsidiaries                                     | 1,917.10             | 1,917.10    | 126.56               | 126.56      |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 44 Disclosure on financial instruments (Contd..)

| Particulars                                                           | As at March 31, 2026 |                  | As at March 31, 2025 |                  |
|-----------------------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                                       | Carrying values      | Fair values      | Carrying values      | Fair values      |
| <b>Financial assets measured at fair value through profit or loss</b> |                      |                  |                      |                  |
| Investments in optionally convertible debentures of subsidiary        | 3,207.96             | 3,207.96         | -                    | -                |
| <b>Total</b>                                                          | <b>32,248.53</b>     | <b>32,248.53</b> | <b>20,021.15</b>     | <b>20,021.15</b> |
| <b>Financial liabilities measured at amortised cost</b>               |                      |                  |                      |                  |
| Borrowings                                                            | 1,720.57             | 1,720.57         | 1,383.00             | 1,383.00         |
| Lease liabilities                                                     | 202.55               | 202.55           | 8.44                 | 8.44             |
| Trade payables                                                        | 13,141.84            | 13,141.84        | 10,370.03            | 10,370.03        |
| Other financial liabilities                                           | 640.67               | 640.67           | 590.79               | 590.79           |
| <b>Total</b>                                                          | <b>15,705.62</b>     | <b>15,705.62</b> | <b>12,352.27</b>     | <b>12,352.27</b> |

The management has assessed that trade receivables, cash and cash equivalents, other bank balances, loans, other financial assets, investments, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments and are valued at level 3.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value.

- (i) The fair values of the Company's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2026 and March 31, 2025 was assessed to be insignificant.
- (ii) Long-term borrowings, receivables/payables are evaluated by the Company based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

### Fair value hierarchy

All financial instrument for which fair value is measured or disclosed in the standalone financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

**Level 1** - Quoted (unadjusted) market prices in active markets for identical financial instrument

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 44 Financial instrument- Fair values and risk management

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

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

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

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

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

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

### 1) Credit risk

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

#### a) Trade receivables

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

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

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

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 44 Financial instrument- Fair values and risk management (Contd..)

### b) Provision for expected credit losses

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

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

#### Reconciliation of expected credit loss provision

##### Trade receivables:

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

##### Expected credit loss under simplified approach for trade receivables:

| Particulars                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Ageing of gross carrying amount</b> |                         |                         |
| Unbilled revenue                       | 10,064.82               | 4,110.18                |
| Not due                                | 2,023.64                | 4,353.48                |
| less than 180 days                     | 2,757.03                | 3,236.36                |
| 181-365 days                           | 1,798.57                | 1,937.84                |
| More than 1 year                       | 3,333.02                | 921.74                  |
| <b>Gross carrying amount</b>           | <b>19,977.08</b>        | <b>14,559.59</b>        |
| Expected credit loss                   | (224.72)                | (118.84)                |
| <b>Net carrying amount</b>             | <b>19,752.35</b>        | <b>14,440.75</b>        |

### (ii) Financial instruments and cash deposits:

The credit risk for cash deposits with banks and cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due. The carrying amounts disclosed above are the Company's maximum possible credit risk exposure in relation to these deposits.

Other financial assets being security deposits and others are also due from several counter parties and based on historical information about defaults from the counter parties, management considers the quality of such assets that are not past due to be good.

Impairment on cash and cash equivalents, deposits and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. The Company considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties.

Based on the assessment there is no impairment in the above financial assets.

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 44 Financial instrument- Fair values and risk management (Contd..)

### 2) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. For the Company, liquidity risk arises from obligations on account of financial liabilities – lease liabilities, trade payables and other financial liabilities.

The Company continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The Company finance department is responsible for liquidity and fund management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company liquidity position through forecasts on the basis of expected cash flows.

#### Maturity profile of financial liabilities

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

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

### 3) Market risk

Market risk is the risk that changes in the market prices such as foreign currency risk, interest risk, equity price and commodity prices. The market risk will affect the company's income or value of its holding of financial instruments. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the returns.

#### (a) Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the company. The Company regularly negotiates / adjust of sale prices on the basis of changes in commodity prices. The Company is not significantly impacted by commodity price risk.

#### (b) Interest rate risk

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 44 Financial instrument- Fair values and risk management (Contd..)

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

| Particulars                       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------|-------------------------|-------------------------|
| Floating interest rate borrowings | 128.84                  | 210.37                  |
| Fixed rate borrowings             | -                       | -                       |
| <b>Total</b>                      | <b>128.84</b>           | <b>210.37</b>           |

### (c) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Company's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars                | Impact on profit before tax equity |                         |
|----------------------------|------------------------------------|-------------------------|
|                            | As at<br>March 31, 2026            | As at<br>March 31, 2025 |
| Increase by 50 basis point | (0.64)                             | (1.05)                  |
| Decrease by 50 basis point | 0.64                               | 1.05                    |

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

## (4) Foreign currency risk

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

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

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

| Particulars               | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------|-------------------------|-------------------------|
| (a) Financial liabilities | 7.85                    | 57.88                   |

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

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

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 45 Capital management

The Company manages its capital structure in a manner to ensure that it will be able to continue as a going concern while optimising the return to stakeholders through the appropriate debt and equity balance.

The capital structure of the Company consists of debt, cash and cash equivalents and equity attributable to equity shareholders of the Company which comprises issued share capital (including premium) and accumulated reserves disclosed in the Statement of changes in equity.

The Company's management reviews the capital structure of the Company on an annual basis. As part of this review, the management considers the cost of capital and the risks associated with each class of capital. The Company's plan is to ensure that the gearing ratio (debt equity ratio) is well within the limit. No changes were made in the objectives, policies or process for managing its capital during the year ended March 31, 2026 and March 31, 2025. The Company reviews its dividend policy from time to time.

Consistent with others in the industry, the Company monitors capital on the basis of the following gearing ratio:

- net debt (total borrowings and lease liabilities net of cash and cash equivalents)
- divided by total 'equity' (as shown in the balance sheet)
- there have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

| Particulars                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------|-------------------------|-------------------------|
| Borrowings (Non current)                                | 74.31                   | 128.86                  |
| Borrowings (Current)                                    | 1,646.26                | 1,254.15                |
| Lease liability (Non current)                           | 198.20                  | 4.52                    |
| Lease liability (Current)                               | 4.35                    | 3.92                    |
| Less: Cash and cash equivalents including bank balances | (458.98)                | (753.10)                |
| <b>Total debt (A)</b>                                   | <b>1,464.13</b>         | <b>638.35</b>           |
| <b>Total equity (B)</b>                                 | <b>19,704.22</b>        | <b>9,834.65</b>         |
| <b>Capital and net debt (C=A+B)</b>                     | <b>21,168.35</b>        | <b>10,473.00</b>        |
| <b>Gearing ratio A/C</b>                                | <b>6.92%</b>            | <b>6.10%</b>            |

## 46 Ratio analysis

| S. no | Ratio                       | Nature  | March 31, 2026 | March 31, 2025 | % Change | Explanation for any change in the ratio by more than 25% as compared to the March 31, 2026                                                     |
|-------|-----------------------------|---------|----------------|----------------|----------|------------------------------------------------------------------------------------------------------------------------------------------------|
| 1     | Current ratio               | Times   | 1.42           | 1.29           | 10.38%   | Not Applicable                                                                                                                                 |
| 2     | Debt-equity ratio           | Times   | 0.09           | 0.14           | (37.88%) | The movement in the ratio is primarily attributable to an increase of shareholders equity pursuant to Initial Public Offer.                    |
| 3     | Debt service coverage ratio | Times   | 25.00          | 3.94           | 535.14%  | The movement in the ratio is primarily attributable to an lower debt service obligations, particularly reduced due to repayment of borrowings. |
| 4     | Return on equity ratio      | Percent | 16.69%         | 34.04%         | (50.97%) | The movement in the ratio is primarily attributable to an increase of shareholders equity                                                      |
| 5     | Inventory turnover ratio    | Times   | 29.37          | 28.47          | 3.18%    | Not Applicable                                                                                                                                 |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 46 Ratio analysis (Contd..)

| S. no | Ratio                           | Nature  | March 31, 2026 | March 31, 2025 | % Change | Explanation for any change in the ratio by more than 25% as compared to the March 31, 2026                    |
|-------|---------------------------------|---------|----------------|----------------|----------|---------------------------------------------------------------------------------------------------------------|
| 6     | Trade receivable turnover ratio | Times   | 1.00           | 1.90           | (47.33%) | The movement in the ratio is primarily attributable to an increase in trade receivables during the year       |
| 7     | Trade payable turnover ratio    | Times   | 1.04           | 1.85           | (43.88%) | The movement in the ratio is primarily attributable to an increase in trade payables during the year          |
| 8     | Net capital turnover ratio      | Times   | 3.02           | 7.79           | (61.20%) | The movement in the ratio is primarily attributable to an increase in average working capital during the year |
| 9     | Net profit ratio                | Percent | 14.41%         | 10.27%         | 40.23%   | Due to higher profitability despite a decline in net sales during the year.                                   |
| 10    | Return on capital employed      | Percent | 19.24%         | 38.72%         | (50.31%) | The movement in the ratio is primarily attributable to an increase of shareholders equity                     |
| 11    | Return on investment            | Percent | 5.27%          | 8.06%          | (34.60%) | The movement in the ratio is primarily attributable to an increase in investment during the year              |

### Formula:

|    |                                                                                                              |
|----|--------------------------------------------------------------------------------------------------------------|
| 1  | Current ratio = Current assets / Current liabilities                                                         |
| 2  | Debt-equity ratio = Total debt (including lease liability) / Shareholder's equity                            |
| 3  | Debt service coverage ratio = Earnings available for debt service / Debt service (including lease liability) |
| 4  | Return on equity ratio = Net profit after taxes / Average shareholder's equity                               |
| 5  | Inventory turnover ratio = Cost of goods sold / Average inventory                                            |
| 6  | Trade receivables turnover ratio = Net sales / Average account receivables                                   |
| 7  | Trade payables turnover ratio = Net purchases / Average trade payable                                        |
| 8  | Net capital turnover ratio = Net sales / Average working capital                                             |
| 9  | Net profit ratio = Net profit after taxes / Net sales                                                        |
| 10 | Return on capital employed = Earning before interest and taxes / Average capital employed                    |
| 11 | Return on investment = Dividend from investment / Average investments                                        |

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

### (a) Details of benami property held

The Company does not have any benami property, where any proceeding has been initiated or pending against the Company for holding any Benami property.

### (b) Relationship with struck off companies

The Company has not entered into any transaction with struck off companies during the current or previous year.

### (c) Details of crypto currency or virtual currency

The Company has not traded or invested in crypto currency or virtual currency during the current or previous year.

### (d) Details of transaction disclosed under Income Tax Act

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 47 Additional regulatory information required by Schedule III of Companies Act, 2013 (Contd..)

### (e) Details of advanced or loaned or invested funds

The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (ultimate beneficiaries) or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

### (f) Details of fund received

The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

- (a) Directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (ultimate beneficiaries) or
- (b) Provide any guarantee, security or the like on behalf of the ultimate beneficiaries.

### (g) Borrowing secured against assets

The Company has borrowings from banks and financial institutions on the basis of security of current assets.

### (h) Willful defaulter

The Company is not a willful defaulter of any loan or other borrowing from any lender.

### (i) Compliance with number of layers of companies

The Company has complied with the number of layers of companies prescribed under the Companies Act, 2013.

### (j) Compliance with approved scheme(s) of arrangements

The Company has not entered into any scheme of arrangement which has an accounting impact on current or previous financial year.

### (k) Revaluation

The Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the current or previous year.

### (l) Charges or satisfaction

The Company does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

### (m) Purpose of borrowings

The borrowings obtained by the Company from banks and financial institutions have been applied for the purposes for which such loans were taken and the Company has not used funds raised on short term basis for long term purpose.

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

### a) Letter of credit

| Particulars                  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------|-------------------------|-------------------------|
| Outstanding letter of credit | 26.92                   | 413.01                  |
| <b>Total</b>                 | <b>26.92</b>            | <b>413.01</b>           |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 48 Contingent liabilities, contingent assets and litigations, corporate guarantees and capital commitments (Contd..)

### b) Contingent liabilities

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

The Company pending litigations comprise of claims against the proceedings pending with various direct tax, indirect tax. The Management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its standalone financial statements. The Management does not expect the outcome of these proceedings to have a materially adverse effect on its standalone financial statements.

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

### Year ended March 31, 2026

| Quarter ending    | Particulars of securities provided | Amount as per books of account (₹ In million) | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                                          |
|-------------------|------------------------------------|-----------------------------------------------|-------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| June 30,2025      | Inventory                          | 611.37                                        | 613.20                                                | (1.83)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2025 | Inventory                          | 777.29                                        | 777.30                                                | (0.01)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2025  | Inventory                          | 541.71                                        | 541.70                                                | 0.01                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2026     | Inventory                          | 724.56                                        | 724.60                                                | (0.04)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2025      | Trade receivables                  | 18,302.45                                     | 17,071.70                                             | 1,230.75             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2025 | Trade receivables                  | 15,866.22                                     | 15,866.20                                             | 0.02                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2025  | Trade receivables                  | 22,480.63                                     | 22,480.60                                             | 0.03                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2026     | Trade receivables                  | 15,996.09                                     | 15,996.10                                             | (0.01)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 49 (Contd..)

| Quarter ending    | Particulars of securities provided | Amount as per books of account (₹ In million) | Amount as reported in the quarterly return/statement | Amount of difference | Reason for material discrepancies                                                          |
|-------------------|------------------------------------|-----------------------------------------------|------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| June 30,2025      | Trade Payable                      | 10,847.10                                     | 5,694.30                                             | 5,152.80             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2025 | Trade Payable                      | 11,655.67                                     | 11,655.70                                            | (0.03)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2025  | Trade Payable                      | 12,061.05                                     | 12,061.10                                            | (0.05)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2026     | Trade Payable                      | 13,141.84                                     | 13,141.80                                            | 0.04                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2025      | Revenue                            | 3,396.65                                      | 2,225.90                                             | 1,170.75             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2025 | Revenue                            | 3,421.11                                      | 4,591.80                                             | (1,170.69)           | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2025  | Revenue                            | 5,419.95                                      | 5,419.90                                             | 0.05                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2026     | Revenue                            | 4,870.36                                      | 4,870.40                                             | (0.04)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

## Year ended March 31, 2025

| Quarter ending    | Particulars of securities provided | Amount as per books of account (₹ In million) | Amount as reported in the quarterly return/statement | Amount of difference | Reason for material discrepancies                                                          |
|-------------------|------------------------------------|-----------------------------------------------|------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| June 30,2024      | Inventory                          | 1,446.09                                      | 1,432.00                                             | 14.09                | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2024 | Inventory                          | 1,421.60                                      | 1,421.60                                             | -                    | NA                                                                                         |
| December 31,2024  | Inventory                          | 1,354.26                                      | 1,161.40                                             | 192.86               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2025     | Inventory                          | 440.29                                        | 1,155.30                                             | (715.01)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2024      | Trade receivables                  | 8,948.79                                      | 9,823.70                                             | (874.91)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 49 (Contd..)

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

## 50 Segment information

As per Ind AS 108 - Operating segments, operating segments are defined as components of an entity for which discrete financial information is available and which are regularly reviewed by the Chief Operating Decision Maker (CODM) for the purpose of resource allocation and performance assessment. The Company is a holding company, which prepares consolidated financial statements in accordance with Ind AS. The CODM for the group is at the holding company level, where the operating results and segment performance of all group entities are evaluated on a consolidated basis. Accordingly, segment disclosures in accordance with Ind AS 108 are presented in the consolidated financial statements of the holding company. However, the Company primarily operates in three key business segments: Telecom, Energy, and Power

# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 51 Material regrouping/reclassification

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

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

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

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

The details of utilisation of IPO proceeds are as follows:

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

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

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



# Notes to the Standalone Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 53 Data backup

The books of account along with other relevant records and papers of the Company are maintained in electronic mode. These are readily accessible in India at all times and a back-up is maintained in servers situated in India and the Company and its officers have full access to the data in the servers.

## 54 Audit trail

The Company has maintained its books of account using accounting software that did not have the functionality to record an audit trail (edit log) for all relevant transactions throughout the year. Audit trail feature in the said software along with the preservation of the same was not active during the year.

## 55 Subsequent event

The Company evaluates events and transactions that occur subsequent to the balance sheet date but prior to the issuance of the financial statements to determine the necessity for recognition and/or reporting of any such events and transactions in the standalone financial statements and as of May 25, 2026, there were no subsequent events to be recognized or reported in these financial statements.

Accompanying notes form an integral part of these standalone financial statements

### As per our report of even date attached

#### For S S Kothari Mehta & Co. LLP

Chartered Accountants

Firm's Registration No. 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026

### For and on behalf of the Board

#### Pace Digitek Limited

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

Sd/-

**Venugopalrao Maddisetty**

Managing Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Sd/-

**Pandidurai Rajavendhan**

Chief Financial Officer

Place: Bangalore

Date: May 25, 2026

Sd/-

**Maddisetty Padma**

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Sd/-

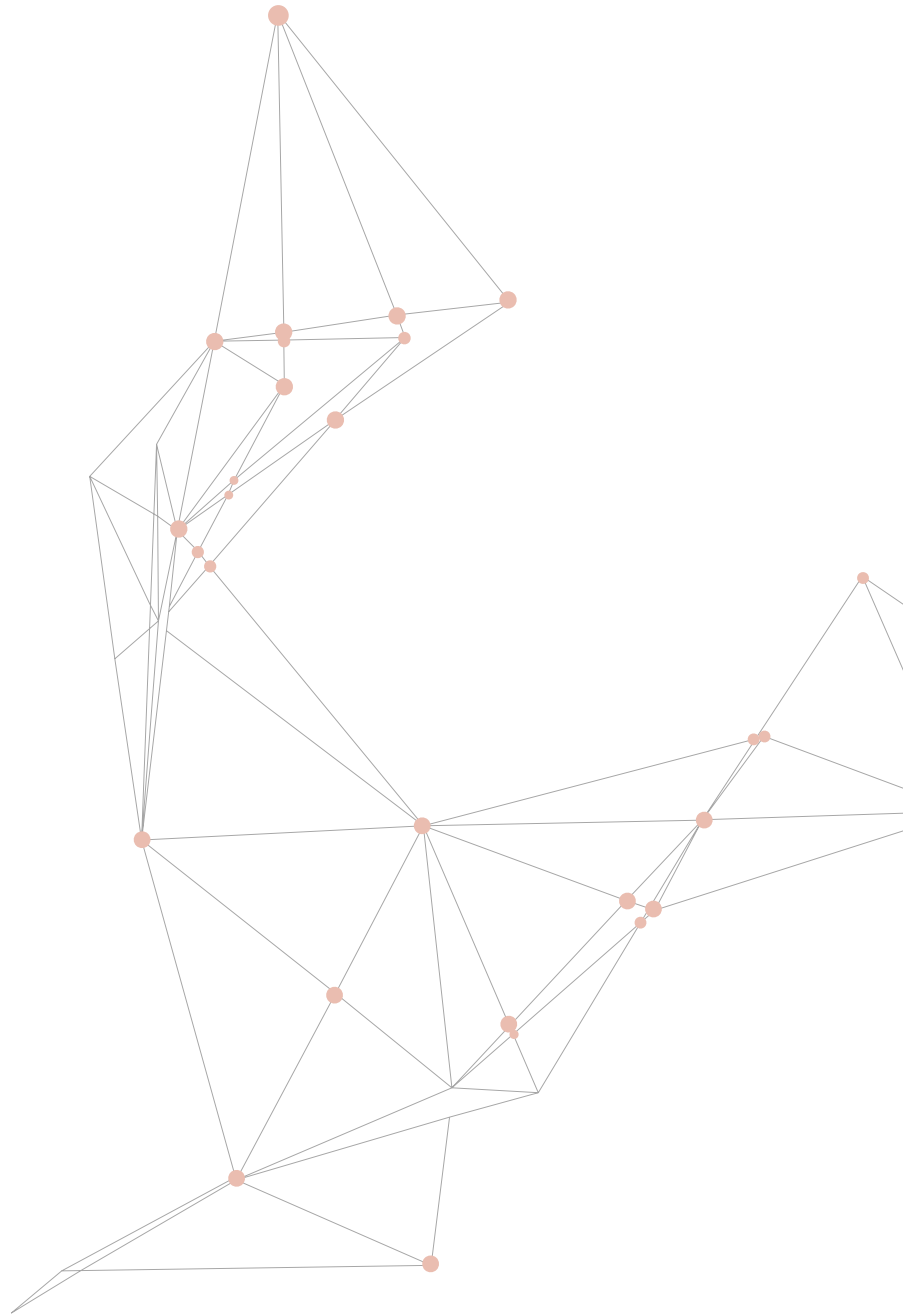
**Meghana Purushotham Manchaiah**

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026



# Consolidated Financial Statements

# Independent Auditor's Report

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

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the accompanying consolidated financial statements of **Pace Digitek Limited** (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (hereinafter referred to as the "Company" or "Holding Company") and its subsidiaries including step down subsidiary, (the Holding Company and its subsidiaries together referred to as the "Group"), which comprise the consolidated balance sheet as at March 31, 2026, and the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the material accounting policies and other explanatory information. (hereinafter referred to as the "consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements of the subsidiaries and financial statements/financial information certified by the Management referred to in the Other Matters section below, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2026, and its consolidated profit (including

consolidated other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit of the consolidated 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 Consolidated Financial Statements' section of our report. We are independent of the in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") read together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and Code of Ethics. We believe that the audit evidence we have obtained, and the audit evidence obtained by the other auditors in terms of their reports referred to in 'Other Matters' paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Key Audit Matter

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

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

| Key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        | How our audit addressed the key audit matter                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                          |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <p>We considered the estimation of EPC contracts revenue and related cost as a key audit matter given the following:</p> <ul style="list-style-type: none"> <li>There is an inherent risk and a presumed risk of fraud in revenue recognition, considering also the complex nature of the customer contracts; and</li> <li>Complexities involved and significant Management judgement in making forecasts of future cost to complete the contract taking into account future activities to be performed in the contract, additional costs to be incurred, which has a consequential impact on the amount of revenue recognised, variable consideration recognised as revenue and the significance of these amounts to the consolidated financial statements.</li> </ul> | <ol style="list-style-type: none"> <li>Assessed the appropriateness of the revenue recognition accounting policies in accordance with Ind AS 115 "Revenue from Contracts with Customers".</li> <li>For selected sample of contracts, performed the following procedures: <ol style="list-style-type: none"> <li>Obtained and examined project related documents such as contracts, customer communications and price or scope variation orders.</li> <li>Obtained the percentage of completion calculations, agreed key contractual terms with customer contracts/ communication, tested the mathematical accuracy of the cost to complete calculations and re-performed the calculation of revenue recognised during the year based on the percentage of completion.</li> <li>Verified relevant supporting documents and performed cut off procedures for EPC contract related costs incurred through the reporting period. Evaluated Management's assessment of recognising revenue for claims, price or scope variations by reviewing the contractual terms and client communications. Physically visited the EPC contracts sites.</li> <li>Evaluated the reasonableness of key assumptions included in the estimated total EPC contract related costs.</li> <li>Tested trade receivables, contract assets and contract liability balances based on the status of specific contracts, considering the billing done, revenue recognised and advances received from customer, if any, through the reporting date.</li> <li>Performed analytical procedures and conducted inquiries about any unusual trends of revenue recognition and cost.</li> </ol> </li> <li>Assessed the adequacy of presentation and related disclosures in the consolidated financial statements.</li> </ol> |

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

The Holding Company's Management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report but does not include the consolidated 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 consolidated 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 consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether such other information is materially inconsistent with the consolidated financial statements, or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

## Responsibilities of the Management and Board of Director for the consolidated financial statements

The Holding Company's Management and Board of Directors are responsible for the matters stated in section 134(5) of the Act with respect to the preparation and presentation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including consolidated other comprehensive income, consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act.

The respective Management's and Board of Director's of the companies included in the Group are responsible for maintenance of adequate accounting records in

accordance with the provisions of the Act for safeguarding of the assets of the Group 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 the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Management and Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of each Company.

### Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

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

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

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Group has adequate internal financial controls with reference to consolidated financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the consolidated financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated 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 Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group of which we are the independent auditors, to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are independent auditors 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.

### Other Matters

- (a) The consolidated financial statements also includes financial statements of three subsidiaries including one step down subsidiary which are not audited by us, whose financial statements include total assets (before consolidation adjustments) of ₹31.70 million as at March 31, 2026, total revenues (before consolidation adjustment) of ₹17.01 million and net cash outflows (before consolidation adjustments) of ₹4.63 million for the year ended on that date. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries including one step-down subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to these subsidiaries including one step-down subsidiary is based solely on the reports of the other auditors.
- (b) The consolidated financial statements include the unaudited financial statements of one subsidiary whose financial statements include total assets (before consolidation adjustments) of ₹ 3.50 million as at March 31, 2026, total revenues (before consolidation adjustment) of ₹Nil and net cash outflows (before consolidation adjustments) of ₹Nil for the year ended on that date. This unaudited financial statements have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-section (3) of Section 143 of the Act in so far as it relates to this subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the Management, this subsidiary is not considered material to the Group.

Further, the subsidiaries mentioned in point (a) above include one step down subsidiary and subsidiary mentioned in para (b) above are located outside India. The annual financial statements of these two subsidiaries including one step down subsidiary have been prepared in accordance with accounting principles generally accepted in their respective countries. The Holding Company's management

has converted the financial statements of such subsidiaries including one step down subsidiary from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Holding Company's management.

Our opinion in so far as it relates to the balances and affairs of such subsidiaries, located outside India is based on the reports of other auditors and information provided by the Company's management and the conversion adjustments prepared by the management of the Group and audited by us. Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and financial statements/financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government of India in terms of section 143(11) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of the subsidiaries incorporated in India, as noted in the 'Other Matter' paragraph we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3(xxi) of the Order, to the extent applicable.
2. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of subsidiaries, as noted in the 'Other Matter' paragraph, to the extent applicable, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements;
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the report of other auditor except for the matters stated in the paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).

- (c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account and records maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under section 133 of the Act.
- (e) On the basis of the written representations received from the directors of the Holding Company as on April 22, 2026, taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries incorporated in India, none of the directors of the Group's, is disqualified as on March 31, 2026, from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) The modification relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) of the Act and paragraph 2(i)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014 (as amended).
- (g) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiary companies, incorporated in India and the operating effectiveness of such controls, based on our audit and on the consideration of report of the other auditors on separate financial statements and the other financial information of such subsidiary companies, incorporated in India and to the extent applicable, as noted in the 'Other Matter' paragraph, refer to our separate Report in "**Annexure 2**" to this report.
- (h) In our opinion, the managerial remuneration for the year ended March 31, 2026 has been paid provided by the Holding Company and its subsidiaries incorporated in India to their directors in accordance with the provisions of section 197 read with Schedule V of the Act; and
- (i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 as amended, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on consolidated financial position of the Group, refer note 53(b) to the consolidated financial statements;
  - ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - iii. There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Group.
  - iv. a) The respective Managements of the Holding Company and its subsidiaries, which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 50(f) to the consolidated financial statements, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company or any of such subsidiaries to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company or any of such subsidiaries, associates and joint ventures ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
  - (b) The respective Managements of the Holding Company and its subsidiaries which are companies incorporated in India whose financial statements have been audited under the Act have represented to us and the other auditors of such subsidiaries respectively that, to the best of their knowledge and belief, as disclosed in the note 50(g) to consolidated financial statement, no funds have been received by the Company or any of such subsidiaries from any person(s) or entity(ies),

- including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Company or any of such subsidiaries shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.
- c) Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the management representations under sub-clause (i) and (ii) of Rule 11(e), as provided under iv (a) and iv (b) above contain any material misstatement.
- v. The Group has neither declared nor paid any dividend during the current financial year.
- vi. Based on our examination, which included test checks, the Holding Company and its subsidiaries incorporated in India has maintained its books of account using accounting software that did not have the functionality to record an audit trail (edit log) for all relevant transactions throughout the year. Accordingly, we are unable to comment on the adequacy of the audit trail feature in the said software along with the preservation in accordance with the statutory requirements.

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration No: 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Membership No: 500607

UDIN: 26500607PJCQGN7740

Place: Bangalore

Dated: May 25, 2026

## Annexure A

**To the Independent Auditor's Report dated May 25, 2026 on the consolidated financial statements of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) for the year ended March 31, 2026.**

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

(xxi) In our opinion and based on the information and explanations provided to us, following companies incorporated in India and included in the consolidated financial statements has received adverse remarks, qualifications, or unfavorable comments in the reports issued by their respective auditors pursuant to the Companies (Auditor's Report) Order, 2020 (CARO).

| S. no. | Name of entity                                                                                               | CIN                   | Holding company/ subsidiary/ associate | Clause number of the CARO report which is unfavorable or qualified or adverse |
|--------|--------------------------------------------------------------------------------------------------------------|-----------------------|----------------------------------------|-------------------------------------------------------------------------------|
| 1      | Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) | L31909KA2007PLC041949 | Holding Company                        | Clause (ii) (b), (xx)(a)                                                      |
| 2      | Lineage Power Private Limited                                                                                | U45207KA2010PTC054269 | Subsidiary                             | Clause (ii) (b), (xx)(a)                                                      |
| 3      | Pace Renewable Energies Private Limited                                                                      | U29307KA2010PTC053077 | Subsidiary                             | Claus (xx) (b)                                                                |
| 4      | TransGreenx Energy Private Limited                                                                           | U35105KA2025PTC211174 | Subsidiary                             | Clause (xvii)                                                                 |
| 5      | Lineage Defence And Aerospace Private Limited                                                                | U25121KA2025PTC213001 | Subsidiary                             | Clause (xvii)                                                                 |
| 6      | Pace Ecoplanet Solace Private Limited                                                                        | U27201KA2026PTC213616 | Subsidiary                             | Clause (xvii)                                                                 |
| 7      | Inso Pace Private Limited                                                                                    | U35105KA2018PTC117476 | Subsidiary                             | Clause (xvii)                                                                 |

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants  
Firm Registration No: 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Membership No: 500607

UDIN: 26500607PJCQGN7740

Place: Bangalore

Dated: May 25, 2026

## Annexure B

**To the Independent Auditor's Report dated May 25, 2026 on the consolidated financial statements of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) for the year ended March 31, 2026.**

**Report on the Internal Financial Controls with reference to the aforesaid consolidated financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the "Act") as referred to in paragraph 2(g) of 'Report on Other Legal and Regulatory Requirements' section of our report even date.**

Our reporting on the internal financial control with reference to consolidated financial statements is not applicable in respect of 2 subsidiaries including one step down subsidiary incorporated outside India.

In conjunction with our audit of the consolidated financial statements of Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) (hereinafter referred to as the "Company" or "Holding Company") as of and for the year ended March 31, 2026, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group"), which are companies incorporated in India for the year ended on that date.

### **Management's and Board of Directors' Responsibilities for Internal Financial Controls**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, as specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial

controls issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Group's internal financial controls with reference to these consolidated financial statements.

### **Meaning of Internal Financial Controls with Reference to Consolidated Financial Statements**

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated 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 consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

### Inherent Limitations of Internal Financial Controls with Reference to the Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated 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 consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### Opinion

In our opinion, the Holding Company and its subsidiaries, which are incorporated in India, have in all material respects, an adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2026, based on the internal financial controls with reference to financial statements criteria established by Group considering the essential components of such internal controls stated in the Guidance Note.

### Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates to one subsidiary, which is incorporated in India, is based on the corresponding reports of the auditors of such subsidiaries.

Our audit report on the adequacy and operating effectiveness of the internal financial controls over financial reporting is not modified in respect of above matters.

**For S S Kothari Mehta & Co. LLP**

Chartered Accountants

Firm Registration No: 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Place: Bangalore

Dated: May 25, 2026

Membership No: 500607

UDIN: 26500607PJCQGN7740



# Consolidated Balance Sheet

as at March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                                                               | Note no | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------------------------------------------------------|---------|-------------------------|-------------------------|
| <b>A. Assets</b>                                                                          |         |                         |                         |
| <b>(1) Non-current assets</b>                                                             |         |                         |                         |
| (a) Property, plant and equipment                                                         | 3       | 1,565.87                | 1,147.32                |
| (b) Capital work-in-progress                                                              | 4       | 382.85                  | 320.85                  |
| (c) Investment property                                                                   | 5       | 17.01                   | 17.87                   |
| (d) Right-of-use assets                                                                   | 6       | 201.98                  | 8.33                    |
| (e) Goodwill                                                                              | 7       | 3.64                    | 3.64                    |
| (f) Other intangible assets                                                               | 8       | 304.44                  | 287.50                  |
| (g) Financial assets                                                                      |         |                         |                         |
| (i) Trade receivables                                                                     | 13.2    | 3,756.24                | 2,946.05                |
| (ii) Finance lease receivables                                                            | 14      | 5,315.04                | -                       |
| (iii) Other financial assets                                                              | 9       | 1,367.84                | 1,370.81                |
| (h) Deferred tax assets (net)                                                             | 10      | 138.51                  | 226.92                  |
| (i) Non current tax assets (net)                                                          | 11      | 34.39                   | 48.25                   |
| (j) Other non current assets                                                              | 18      | 396.50                  | 280.42                  |
| <b>Total non-current assets</b>                                                           |         | <b>13,484.31</b>        | <b>6,657.96</b>         |
| <b>(2) Current assets</b>                                                                 |         |                         |                         |
| (a) Inventories                                                                           | 12      | 5,403.10                | 1,126.29                |
| (b) Financial assets                                                                      |         |                         |                         |
| (i) Trade receivables                                                                     | 13.1    | 20,665.45               | 12,709.81               |
| (ii) Cash and cash equivalents                                                            | 15      | 2,699.72                | 783.54                  |
| (iii) Bank balances other than (ii) above                                                 | 16      | 4,991.27                | 1,380.49                |
| (iv) Finance lease receivables                                                            | 14      | 253.42                  | -                       |
| (v) Other financial assets                                                                | 17      | 1,968.74                | 2,432.85                |
| (c) Other current assets                                                                  | 18      | 3,676.10                | 1,398.62                |
| <b>Total current assets</b>                                                               |         | <b>39,657.80</b>        | <b>19,831.60</b>        |
| <b>Total assets</b>                                                                       |         | <b>53,142.11</b>        | <b>26,489.56</b>        |
| <b>B. Equity and liabilities</b>                                                          |         |                         |                         |
| <b>(1) Equity</b>                                                                         |         |                         |                         |
| (a) Equity share capital                                                                  | 19      | 431.70                  | 356.88                  |
| (b) Other equity                                                                          | 20      | 21,641.28               | 11,342.07               |
| <b>Equity attributable to owners of the holding Company</b>                               |         | <b>22,072.98</b>        | <b>11,698.95</b>        |
| (c) Non-controlling interest                                                              |         | 449.28                  | 391.07                  |
| <b>Total equity</b>                                                                       |         | <b>22,522.26</b>        | <b>12,090.02</b>        |
| <b>(2) Liabilities</b>                                                                    |         |                         |                         |
| <b>I. Non current liabilities</b>                                                         |         |                         |                         |
| (a) Financial liabilities                                                                 |         |                         |                         |
| (i) Borrowings                                                                            | 21      | 6,067.16                | 241.75                  |
| (ii) Lease liabilities                                                                    | 22      | 198.20                  | 4.52                    |
| (iii) Other financial liabilities                                                         | 23      | 5.03                    | 1.80                    |
| (b) Provisions                                                                            | 24      | 538.31                  | 649.83                  |
| (c) Other non-current liabilities                                                         | 29.3    | 316.41                  | -                       |
| <b>Total non-current liabilities</b>                                                      |         | <b>7,125.11</b>         | <b>897.90</b>           |
| <b>II. Current liabilities</b>                                                            |         |                         |                         |
| (a) Financial liabilities                                                                 |         |                         |                         |
| (i) Borrowings                                                                            | 25.1    | 3,540.12                | 1,365.24                |
| (ii) Lease liabilities                                                                    | 26      | 4.35                    | 3.92                    |
| (iii) Trade payables                                                                      | 27.1    |                         |                         |
| (A) total outstanding dues of micro enterprise and small enterprises;                     |         | 141.37                  | 138.98                  |
| (B) total outstanding dues of creditors other than micro enterprise and small enterprises |         | 17,777.89               | 10,011.27               |
| (iv) Other financial liabilities                                                          | 28.1    | 952.78                  | 606.32                  |
| (b) Other current liabilities                                                             | 29.2    | 210.00                  | 205.78                  |
| (c) Provisions                                                                            | 24      | 390.18                  | 290.90                  |
| (d) Current tax liabilities (net)                                                         | 30      | 478.05                  | 879.23                  |
| <b>Total current liabilities</b>                                                          |         | <b>23,494.74</b>        | <b>13,501.64</b>        |
| <b>Total liabilities</b>                                                                  |         | <b>30,619.85</b>        | <b>14,399.54</b>        |
| <b>Total equity and liabilities</b>                                                       |         | <b>53,142.11</b>        | <b>26,489.56</b>        |
| <b>Material accounting policies</b>                                                       | 2       |                         |                         |

Accompanying notes form an integral part of the consolidated financial statements

**As per our report of even date attached**  
**For S S Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm's Registration No. 000756N/N500441

Sd/-  
**AMIT GOEL**  
Partner  
Membership No. 500607  
Place: Bangalore  
Date: May 25, 2026

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

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

Sd/-  
**Pandidurai Rajavendhan**  
Chief Financial Officer  
Membership No. 221057  
Place: Bangalore  
Date: May 25, 2026

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

Sd/-  
**Meghana Purushotham Manchaiah**  
Company Secretary  
Membership No. A42534  
Place: Bangalore  
Date: May 25, 2026

# Consolidated Statement of Profit & Loss

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                                                    | Note no | For the year ended<br>March 31, 2026 | For the year ended<br>March 31, 2025 |
|--------------------------------------------------------------------------------|---------|--------------------------------------|--------------------------------------|
| <b>I. Income:</b>                                                              |         |                                      |                                      |
| (a) Revenue from operations                                                    | 31      | 26,412.70                            | 24,387.80                            |
| (b) Other income                                                               | 32      | 461.08                               | 234.22                               |
| <b>Total income (I)</b>                                                        |         | <b>26,873.78</b>                     | <b>24,622.02</b>                     |
| <b>II. Expenses:</b>                                                           |         |                                      |                                      |
| (a) Cost of materials consumed                                                 | 33      | 8,384.23                             | 7,180.57                             |
| (b) Engineering, procurement and construction project expenses                 | 33.2    | 8,807.61                             | 9,156.38                             |
| (c) Purchases of stock-in-trade                                                | 34      | 2,783.69                             | 47.15                                |
| (d) Changes in inventories                                                     | 35      | (328.21)                             | 850.97                               |
| (e) Employee benefits expense                                                  | 36      | 959.00                               | 667.13                               |
| (f) Finance costs                                                              | 37      | 598.23                               | 1,151.50                             |
| (g) Depreciation and amortisation expense                                      | 38      | 120.04                               | 60.49                                |
| (h) Other expenses                                                             | 39      | 1,253.90                             | 1,668.54                             |
| <b>Total expenses (II)</b>                                                     |         | <b>22,578.49</b>                     | <b>20,782.73</b>                     |
| <b>III. Profit before tax (I-II)=III</b>                                       |         | <b>4,295.29</b>                      | <b>3,839.29</b>                      |
| <b>IV. Tax expense:</b>                                                        |         |                                      |                                      |
| (a) Current tax expense                                                        | 42      | 1,125.18                             | 1,146.33                             |
| (b) Deferred tax (credit)/charge                                               |         | 90.32                                | (171.54)                             |
| (c) Taxes relating to earlier years                                            |         | 7.15                                 | 73.48                                |
| <b>Total tax expense (IV)</b>                                                  |         | <b>1,222.65</b>                      | <b>1,048.27</b>                      |
| <b>V. Profit after tax (III-IV)= V</b>                                         |         | <b>3,072.64</b>                      | <b>2,791.02</b>                      |
| <b>VI. Other comprehensive income/(loss)</b>                                   |         |                                      |                                      |
| <b>A. Items that will not be reclassified to profit or loss</b>                |         |                                      |                                      |
| (i) Remeasurement of defined benefit plans gain/(loss)                         |         | (4.71)                               | 0.19                                 |
| (ii) Income tax relating to these items                                        |         | 1.18                                 | (0.05)                               |
| <b>B. Items that will be reclassified to profit or loss</b>                    |         |                                      |                                      |
| (i) Exchange differences on translation of foreign operations                  |         | 0.80                                 | 0.53                                 |
| <b>Total other comprehensive income/(loss) for the year (net of tax) (A+B)</b> |         | <b>(2.73)</b>                        | <b>0.67</b>                          |
| <b>VII. Total comprehensive income for the year (V+VI)</b>                     |         | <b>3,069.91</b>                      | <b>2,791.69</b>                      |
| <b>VIII. Profit for the year attributable to :</b>                             |         |                                      |                                      |
| Owners of the Company                                                          |         | 2,975.68                             | 2,676.08                             |
| Non-controlling interest                                                       |         | 96.96                                | 114.94                               |
| <b>Profit after tax</b>                                                        |         | <b>3,072.64</b>                      | <b>2,791.02</b>                      |
| <b>IX. Other comprehensive income/(loss) attributable to :</b>                 |         |                                      |                                      |
| Owners of the Company                                                          |         | (1.60)                               | 0.74                                 |
| Non-controlling interest                                                       |         | (1.13)                               | (0.07)                               |
| <b>Other comprehensive income/(loss) for the year</b>                          |         | <b>(2.73)</b>                        | <b>0.67</b>                          |
| <b>X. Total comprehensive income/(loss) attributable to :</b>                  |         |                                      |                                      |
| Owners of the Company                                                          |         | 2,974.08                             | 2,676.81                             |
| Non-controlling interest                                                       |         | 95.83                                | 114.88                               |
| <b>Total comprehensive income/(loss) for the year</b>                          |         | <b>3,069.91</b>                      | <b>2,791.69</b>                      |
| <b>XI. Earnings per equity share attributable to owners of the Company</b>     | 40      |                                      |                                      |
| Basic (Rupee)                                                                  |         | 15.11                                | 16.30                                |
| Diluted (Rupee)                                                                |         | 15.11                                | 16.30                                |
| <b>Material accounting policies</b>                                            | 2       |                                      |                                      |

Accompanying notes form an integral part of the consolidated financial statements

**As per our report of even date attached**  
**For S S Kothari Mehta & Co. LLP**  
Chartered Accountants  
Firm's Registration No. 000756N/N500441

Sd/-  
**AMIT GOEL**  
Partner  
Membership No. 500607  
Place: Bangalore  
Date: May 25, 2026

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

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

Sd/-  
**Pandidurai Rajavendhan**  
Chief Financial Officer  
Membership No. 221057  
Place: Bangalore  
Date: May 25, 2026

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

Sd/-  
**Meghana Purushotham Manchaiah**  
Company Secretary  
Membership No. A42534  
Place: Bangalore  
Date: May 25, 2026

# Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                                                                                               | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>A. Cash flows from operating activities</b>                                                                            |                                         |                                         |
| <b>Profit before tax</b>                                                                                                  | <b>4,295.29</b>                         | <b>3,839.29</b>                         |
| <b>Adjustment for:</b>                                                                                                    |                                         |                                         |
| Depreciation and amortization expense                                                                                     | 120.04                                  | 60.49                                   |
| Finance costs                                                                                                             | 597.40                                  | 1,150.48                                |
| Interest on lease liabilities                                                                                             | 0.83                                    | 1.03                                    |
| Net foreign exchange rate fluctuation losses                                                                              | 227.59                                  | -                                       |
| Gain on sale of property, plant and equipment                                                                             | (0.39)                                  | (2.79)                                  |
| Interest income on lease receivables                                                                                      | (36.83)                                 | -                                       |
| Interest income on security deposits                                                                                      | (1.10)                                  | (2.18)                                  |
| Balance written back                                                                                                      | (47.25)                                 | (10.52)                                 |
| Balances written off                                                                                                      | 0.73                                    | 187.38                                  |
| Bad debts written off                                                                                                     | 38.82                                   | -                                       |
| Loss allowance for trade receivable                                                                                       | 102.22                                  | (24.11)                                 |
| Other interest income                                                                                                     | (5.37)                                  | (4.67)                                  |
| Disposal of intangible assets under development                                                                           | -                                       | 11.56                                   |
| Interest received on fixed deposits                                                                                       | (253.61)                                | (180.39)                                |
| Provision for liquidity damages                                                                                           | 16.80                                   | 216.57                                  |
| Recognised/(reversal) provision for warranty                                                                              | (105.08)                                | 380.70                                  |
| Rental income                                                                                                             | (7.79)                                  | (6.93)                                  |
| <b>Operating profit before working capital changes</b>                                                                    | <b>4,942.30</b>                         | <b>5,615.89</b>                         |
| <b>Adjusted for:</b>                                                                                                      |                                         |                                         |
| <b>Movements in working capital:</b>                                                                                      |                                         |                                         |
| (Increase)/decrease in trade receivables                                                                                  | (8,902.22)                              | (7,830.03)                              |
| (Increase)/decrease in other financial assets                                                                             | 343.34                                  | (296.04)                                |
| (Increase)/decrease in other assets                                                                                       | (1,839.12)                              | 117.99                                  |
| (Increase)/decrease in inventory                                                                                          | (4,276.81)                              | 1,590.60                                |
| Increase/(decrease) in provision                                                                                          | 34.47                                   | 0.48                                    |
| Finance lease receivable                                                                                                  | (5,531.64)                              | -                                       |
| Increase/(decrease) in trade payables                                                                                     | 7,589.50                                | 133.57                                  |
| Increase/(decrease) in other financial liabilities                                                                        | 535.74                                  | (247.25)                                |
| Increase/(decrease) in other liabilities                                                                                  | 320.63                                  | 64.28                                   |
| <b>Cash generated from/(used) in operations</b>                                                                           | <b>(6,783.82)</b>                       | <b>(850.50)</b>                         |
| Income taxes paid (net of refunds)                                                                                        | (1,636.84)                              | (908.37)                                |
| <b>Net cash generated from/(used) in operating activities (A)</b>                                                         | <b>(8,420.67)</b>                       | <b>(1,758.87)</b>                       |
| <b>B. Cash flows from investing activities</b>                                                                            |                                         |                                         |
| Acquisition of property, plant and equipment, intangibles (including capital work-in-progress and capital advances) (net) | (900.79)                                | (361.22)                                |
| Rent received                                                                                                             | 7.79                                    | 6.93                                    |
| Loan received back                                                                                                        | -                                       | 5.02                                    |
| Proceeds from or (Investment) in fixed deposits                                                                           | (3,412.02)                              | 2,606.98                                |
| Interest received on fixed deposit                                                                                        | 179.68                                  | 180.39                                  |
| <b>Net cash generated from/ (used) in investing activities (B)</b>                                                        | <b>(4,125.33)</b>                       | <b>2,438.10</b>                         |

# Consolidated Statement of Cash Flows

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                                                                           | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-------------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>C. Cash flows from financing activities</b>                                                        |                                         |                                         |
| Proceeds of long term borrowings                                                                      | 6,104.88                                | 218.10                                  |
| Repayment of long term borrowings                                                                     | (102.16)                                | (482.06)                                |
| (Repayment)/proceeds of short term borrowings (net)                                                   | 1,971.16                                | (3,060.92)                              |
| Payment of principal portion of lease liabilities                                                     | (3.89)                                  | (3.15)                                  |
| Payment of interest portion of lease liabilities                                                      | (0.83)                                  | (1.03)                                  |
| Payment for purchase of shares from non-controlling interest of subsidiary                            | (40.32)                                 | -                                       |
| Proceeds from issue of equity shares (net of issue expenses)                                          | 7,215.63                                | 3,626.36                                |
| Finance cost paid                                                                                     | (682.30)                                | (1,150.48)                              |
| <b>Net cash generated from/ (used) in financing activities (C)</b>                                    | <b>14,462.16</b>                        | <b>(853.18)</b>                         |
| <b>Net increase/ (decrease) in cash and cash equivalents (A+B+C)</b>                                  | <b>1,916.18</b>                         | <b>(173.95)</b>                         |
| Cash and cash equivalents at the beginning of the year                                                | 783.54                                  | 957.49                                  |
| <b>Cash and cash equivalents at the end of year</b>                                                   | <b>2,699.72</b>                         | <b>783.54</b>                           |
| <b>Components of cash and cash equivalents considered only for the purpose of cash flow statement</b> |                                         |                                         |
| (a) Balances with banks                                                                               |                                         |                                         |
| In current accounts                                                                                   | 2,698.63                                | 782.19                                  |
| (b) Cash on hand                                                                                      | 1.09                                    | 1.35                                    |
| <b>Total cash and cash equivalents</b>                                                                | <b>2,699.72</b>                         | <b>783.54</b>                           |

## Notes:

- (a) The consolidated statement of cash flows has been prepared under the "Indirect method" as set out in Indian Accounting Standard (Ind AS) 7 - "Statement of cash flows".
- (b) Reconciliation between opening and closing balances in the balance sheet for liabilities arising from financing activities is given in the note 25.

Material accounting policies

Accompanying notes form an integral part of the consolidated financial statements

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

Chartered Accountants

Firm's Registration No. 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026

## For and on behalf of the Board

**Pace Digitek Limited**

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

Sd/-

**Venugopalrao Maddisetty**

Managing Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Sd/-

**Pandidurai Rajavendhan**

Chief Financial Officer

Membership No. 221057

Place: Bangalore

Date: May 25, 2026

Sd/-

**Maddisetty Padma**

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Sd/-

**Meghana Purushotham Manchaiah**

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026

**(a) Equity share capital**

**(b) Other equity**

Table to be continued

# Consolidated Statement of Changes in Equity

for year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

| Particulars                                           | Attributable to owners |                 |                 |                                     |                                             |                                             | Attributable to non controlling interests | Total other equity |
|-------------------------------------------------------|------------------------|-----------------|-----------------|-------------------------------------|---------------------------------------------|---------------------------------------------|-------------------------------------------|--------------------|
|                                                       | Reserve and surplus    |                 |                 | Other comprehensive income / (loss) |                                             |                                             |                                           |                    |
|                                                       | Retained earnings      | Capital reserve | General reserve | Securities premium                  | Foreign Currency Translation Reserve (FCTR) | Remeasurement of defined benefit obligation |                                           |                    |
| Add: Profit for the year                              | 2,975.68               | -               | -               | -                                   | -                                           | -                                           | 96.96                                     | 3,072.64           |
| Less: Pre-IPO expenses debited to securities premium  | -                      | -               | -               | (788.85)                            | -                                           | -                                           | -                                         | (788.85)           |
| Add: Premium on issue of equity shares                | -                      | -               | -               | 8,116.66                            | -                                           | -                                           | -                                         | 8,116.66           |
| Less:Acquisition of additional interest in subsidiary | (2.70)                 | -               | -               | -                                   | -                                           | -                                           | -                                         | (2.70)             |
| Add: Other comprehensive income/ (loss) (net of tax)  | -                      | -               | -               | -                                   | 0.80                                        | (2.39)                                      | (1.13)                                    | (2.72)             |
| Less: Acquisition of non-controlling interests        | -                      | -               | -               | -                                   | -                                           | -                                           | (37.62)                                   | (37.62)            |
| Closing balance as at March 31, 2026                  | 10,713.94              | 119.07          | 37.71           | 10,752.90                           | (3.00)                                      | 20.66                                       | 449.28                                    | 22,090.56          |
| Material accounting policies                          |                        |                 |                 |                                     |                                             |                                             |                                           |                    |

Accompanying notes form an integral part of the consolidated financial statements

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

Chartered Accountants

Firm's Registration No. 000756N/N500441

Sd/-  
**AMIT GOEL**

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026

**For and on behalf of the Board**

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

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**Venugopalrao Maddisetty**

Managing Director

DIN-02070491

Place: Bangalore

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Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Sd/-

**Pandidurai Rajavendhan**

Chief Financial Officer

Membership No. 221057

Place: Bangalore

Date: May 25, 2026

Sd/-

**Meghana Purushotham Manchaiah**

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 1. Corporate information

Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) ("the Company" or "Holding Company") is a public company domiciled in India and was incorporated on March 1, 2007 under the erstwhile Companies Act, 1956 with its registered office in Bengaluru, Karnataka. The Group ("the holding company and its subsidiaries are collectively referred to as "the group") is primarily engaged in the business of Infra Power Management, Green Energy and Telecom, Solar Energy Solutions, Hybrid Solutions and Remote Monitoring Solutions, related operation and maintenance and product services infrastructure such as Urban Infrastructure, Power and Power Transmission.

The Holding Company has been converted from Private Limited Company to Public Limited Company, pursuant to a special resolution passed in the board meeting of the Holding Company held on October 16, 2024 and consequently the name of the Company has been changed to Pace Digitek Limited pursuant to a fresh certificate of incorporation issued by the Registrar of Companies on November 19, 2024.

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

### 1.1. Basis of preparation and measurement

The consolidated financial statements of the group are prepared to comply in all material respects with the Indian Accounting Standards ("Ind AS") notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended time to time and presentation requirements of Division II of Schedule III to the Companies Act, 2013, (Ind AS compliant Schedule III), as applicable to the consolidated financial statements.

Accordingly, the Group has prepared these Consolidated financial statements which comprise the Consolidated Balance Sheet as at March 31, 2026, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Cash Flows and the Consolidated Statement of Changes in Equity for the year ended as on that date, and Consolidated accounting policies and other explanatory information (together hereinafter referred to as " Consolidated financial statements" or "financial statements").

The Company's consolidated financial statements were approved for issue in accordance with a resolution of the directors on May 25, 2026.

## 1.2 Basis of consolidation

Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- (i) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- (ii) Exposure, or rights, to variable returns from its involvement with the investee, and
- (iii) The ability to use its power over the investee to affect its returns

Generally, there is a presumption that a majority of voting rights result in control. To support this presumption and when the Group has less than a majority of the voting or similar rights of an investee, the Group considers all relevant facts and circumstances in assessing whether it has power over an investee, including:

- (i) The contractual arrangement with the other vote holders of the investee
- (ii) Rights arising from other contractual arrangements
- (iii) The Group's voting rights and potential voting rights
- (iv) The size of the group's holding of voting rights relative to the size and dispersion of the holdings of the other voting rights holders

The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control. Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial information from the date the Group gains control until the date the Group ceases to control the subsidiary.

The consolidated financial information are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the Group uses accounting policies other than those adopted in the consolidated financial information for like transactions and events in similar circumstances, appropriate adjustments are made to that Group member's financial statements in preparing

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

the consolidated financial information to ensure conformity with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e., year ended on March 31. When the end of the reporting period of the Holding Company is different from that of a other group companies, the other group companies prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the Holding Company to enable the Holding to consolidate the financial information of the group companies, unless it is impracticable to do so.

## 1.3 Consolidation procedure:

### (A) Subsidiaries

1. The consolidated financial statements of the Group combine financial statements of the Holding Company and its subsidiaries including step-down subsidiary line-by-line by adding together the like items of assets, liabilities, income and expenses. All intra-group assets, liabilities, income, expenses and unrealised profits/losses on intra-group transactions are eliminated on consolidation.

Profit or loss and other comprehensive income are attributed to the owners of the Holding Company and to the non-controlling interests, shown separately in the consolidated financial statements.

2. Offset (eliminate) the carrying amount of the holding's investment in each subsidiary and the holding's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
3. Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the Group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 "Income Taxes" applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

The interest of non-controlling shareholders is initially measured either at fair value or at the non-controlling interests' proportionate share of the acquiree's identifiable net assets. The choice of measurement basis is made on an acquisition-by-acquisition basis. Subsequent to acquisition, the carrying amount of non-controlling interests is the amount of those interests at initial recognition plus the non-controlling interests' share of subsequent changes in equity of subsidiaries.

Profit or loss and each component of other comprehensive income (OCI) are attributed to the equity holders of the Holding Company of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies into line with the Group's accounting policies. All intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between members of the Group are eliminated in full on consolidation.

### Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognized within equity.

When the Group ceases to consolidate or equity account for an investment because of a loss of control, joint control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

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If the ownership interest in a joint venture or an associate is reduced but joint control or significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

## Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree. For each business combination, the Group elects whether to measure the noncontrolling interests in the acquiree at fair value or at the proportionate share of the acquiree's identifiable net assets. Acquisition-related costs are expensed in the periods in which the costs are incurred and the services are received, with the exception of the costs of issuing debt or equity securities that are recognised in accordance with Ind AS 32 and Ind AS 109.

## 1.4 Current versus non-current classification

The Group presents assets and liabilities in the balance sheet based on current/ non-current classification. An asset is treated as current when it is:

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

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- It is due to be settled within twelve months after the reporting period, or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. All other liabilities are classified as non-current. Deferred tax assets

and deferred tax liabilities are classified as non-current assets and liabilities. The operating cycle is the time between the acquisition of assets for processing and their realisation in cash and cash equivalents. The Group has identified twelve months as its operating cycle.

## 2. Material accounting policies

The material accounting policies applied by the Group in the preparation of its consolidated financial information are listed below. Such accounting policies have been applied consistently to all the periods presented in these consolidated financial information, unless otherwise stated.

### 2.1 Property, plant and equipment

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

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

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

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

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condition for its intended use, and estimated costs of dismantling and removing the item and restoring the site on which it is located.

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

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

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

| Particular             | Useful life |
|------------------------|-------------|
| Building               | 60 years    |
| Plant & machinery      | 15 years    |
| Computer               | 3-6 years   |
| Motor vehicles         | 8 years     |
| Furniture and fixtures | 10 years    |
| Office equipment       | 5 years     |

## 2.2 Investment properties

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

All other repair and maintenance costs are recognised in profit or loss as incurred. Though the Group measures investment property using cost-based measurement, the fair value of investment property is

disclosed in notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer. Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition.

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

## 2.3 Other intangible assets

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

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

Intangible asset arising from a service concession arrangement refer section 2.23 Service Concession arrangements.

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

| Particular                          | Useful life |
|-------------------------------------|-------------|
| Software (Bought out)               | 3 years     |
| Right of infrastructure development | 25 years    |

## 2.4 Impairment of non-financial assets

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

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

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

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

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

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

## 2.5 Financial instruments

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

### Initial recognition and measurement

#### (i) Financial assets

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

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

### Subsequent measurement

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

- Financial assets at amortised cost (debt instruments)
- Financial assets at fair value through other comprehensive income (FVTOCI) with



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recycling of cumulative gains and losses (debt instruments)

- Financial assets designated at fair value through OCI with no recycling of cumulative gains and losses upon derecognition (equity instruments)
- Financial assets at fair value through profit or loss.

## Financial assets at amortised cost (debt instruments)

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

## Financial assets at fair value through other comprehensive income – equity

The Company measures all its equity investments except for investment in subsidiaries and associates, at fair value. Where the Company's management has opted to present fair value gain and losses on equity investments in Other Comprehensive Income, there is no subsequent reclassification of fair value gains and losses to the profit and loss. Dividend income from such investments is recognized in the statement of profit and loss as other income when the Company's right to receive payments is established.

## Financial assets at fair value through other comprehensive income – debt

A 'debt instrument' is classified as at the FVTOCI if both of the following criteria are met:

- The objective of the business model is achieved both by collecting contractual cash flows and selling the financial assets, and
- The asset's contractual cash flows represent SPPI.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the Other Comprehensive Income (OCI). However, the Company recognizes interest income, impairment losses and reversals and foreign exchange gain or loss in the statement of profit and loss. On de-recognition of the asset,

cumulative gain or loss previously recognised in OCI is reclassified from the equity to statement of profit and loss. Interest earned while holding FVTOCI debt instrument is reported as interest income using the EIR method.

## Financial assets at fair value through the statement of profit and loss

A financial asset which is not classified in any of the above categories, are subsequently fair valued through the statement of profit and loss.

## De-recognition

A financial asset is primarily derecognized when:

- the right to receive cash flows from the asset has expired, or
- the group has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a pass-through arrangement; and a) the group has transferred substantially all the risks and rewards of the asset, or b) the group has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

On derecognition of a financial asset in its entirety, the difference between the carrying amount at the date of derecognition and the consideration received is recognised in profit or loss

## Impairment of financial assets

In accordance with Ind AS 109, the Group uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at FVTPL.

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

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

Outstanding customer receivables are regularly monitored. The Group periodically assesses the financial reliability of customers, taking



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into account the financial condition, current economic trends, and analysis of historical data and ageing of accounts receivable. The Group creates allowance for unsecured receivables based on historical credit loss experience, industry practice and business environment in which the entity operates and is adjusted for forward looking information. Subsequently when the Group is satisfied that no recovery of such losses is possible, the financial asset is considered irrecoverable and the amount charged to the allowance account is then written off against the carrying amount of the impaired financial asset.

## (ii) Financial liabilities:

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

### Subsequent measurement

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

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

### Financial liabilities at amortised cost (Loans and borrowings)

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

### Trade Payables

These amounts represent liabilities for goods and services provided to the Group prior to the end of financial year which are unpaid. The amounts

are unsecured and are usually payable basis varying trade term. Trade and other payables are presented as current liabilities unless payment is not due within 12 months after the reporting period. They are recognised initially at fair value and subsequently measured at amortised cost using Effective interest rate method.

### Financial guarantee contracts

Financial guarantee contracts issued by the Group, are those contracts that require a payment to be made to reimburse the holder for a loss if incurred because the specified debtor fails to make a payment when due in accordance with the terms of a debt instrument. If material, financial guarantee contracts are recognised initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind-AS 109 and the amount recognized less cumulative amortization

### Derecognition

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

### Offsetting of financial instruments

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

## 2.6 Inventories

### a) Basis of valuation:

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

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## b) Method of Valuation:

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

- i) Cost of raw materials has been determined by using First in first out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- ii) Cost of finished goods and work-in-progress includes direct labour and an appropriate share of fixed and variable production overheads. Fixed production overheads are allocated on the basis of normal capacity of production facilities. Cost is determined on First in first out method
- iii) Cost of traded goods has been determined by using First in first out method and comprises all costs of purchase, duties, taxes (other than those subsequently recoverable from tax authorities) and all other costs incurred in bringing the inventories to their present location and condition.
- iv) Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The net realisable value of work-in-progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realisable value.
- v) Appropriate adjustments are made to the carrying value of damaged, slow moving and obsolete inventories based on management's current best estimate.

and the relevant rulings in the areas of allowances and disallowances. The computation reflects the effect of uncertainty for each item of allowance and disallowance as appropriate either by

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

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

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

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

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

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

## 2.8 Revenue from contract with customers

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

## 2.7 Taxes on Income

Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of the Income Tax Act, 1961 and using estimates and judgments based on the expected outcome of assessments/appeals

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

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

## Revenue from sales of products

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

## Revenue from sales of services

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

## Warranty obligations

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

## Significant Financing Components

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

## Revenue from construction/project related activity

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

The Company evaluates whether each contract consists of a single performance obligation or multiple performance obligations. Due to the nature of the work required to be performed on many of the performance obligations, the estimation of total revenue and cost at completion is subject to many variables and requires significant judgement. The Company considers its experience with similar transactions and expectations regarding the contract in estimating the amount of variable consideration to which it will be entitled and determining whether the estimated variable consideration should be constrained. The Company includes estimated amounts in the transaction price to the extent it is probable that a significant reversal of cumulative revenue recognised will not occur when the uncertainty associated with the variable consideration is resolved.

## Revenue from operation and maintenance

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

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

Revenue arising from a service concession arrangement refer section 2.18 Service Concession arrangements.

## Contract balances

### - Contract assets

A contract asset is the right to consideration in exchange for goods or services transferred to a customer. If the Company performs by transferring goods or services to a customer before the customer pays consideration or before payment is due, a contract asset is recognized for the earned consideration that is conditional.

### - Contract Liabilities

A contract liability is the obligation to transfer goods or services to a customer for which the Group has received consideration (or an amount of consideration is due) from the customer or has raised the invoice in advance. If a customer pays consideration before the Group transfers goods or services to the customer, a contract liability is recognised when the payment is made or the payment is due (whichever is earlier). Contract liabilities are recognised as revenue when the Group performs under the contract (i.e., transfers control of the related goods or services to the customer).

## Trade receivables

A trade receivable is recognised if an amount of consideration that is unconditional (i.e., only the passage of time is required before payment of the

consideration is due). Refer to accounting policies of financial assets in section (Financial instruments – initial recognition and subsequent measurement).

## 2.9 Other Income

### Interest Income

Interest Income from bank deposits and loan

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

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

## 2.10 Retirement and other employee benefits

### Short-term obligations

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

### Defined benefit plan - Gratuity

The Group operates a gratuity and pension fund defined benefit plan in India, which requires contributions to be made to a separately administered fund. The Group also provides certain additional post employment defined benefits plan to employees in other jurisdiction.

In respect of one of the subsidiary of the Group, Lineage Power Private Limited, the gratuity fund defined benefit plan is being funded and the fund is managed by an independent third-party fund manager.

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

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benefit obligation under Employee benefit expense in statement of profit and loss:

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

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

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

If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excesses recognised as an asset to the extent that the prepayment will lead to, for example, a reduction in future payment or a cash refund. Other employee benefit - Compensated absence Liability in respect of compensated absences becoming due or expected to be availed after the balance sheet date is estimated on the basis of an actuarial valuation performed by an independent actuary using the projected unit credit method.

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

## 2.11 Leases

### Group as a lessee

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

#### (i) Right-of-use assets

The Group recognises right-of-use assets at the commencement date of the lease (i.e., the date the underlying asset is available for use). Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the underlying assets. If ownership of the leased asset transfers to the Group at the end of the lease term or the cost reflects the exercise of a purchase option, depreciation is calculated using the estimated useful life of the asset. The right-of-use assets are also subject to impairment. Refer to the accounting policies in section 'Impairment of non-financial assets'.

#### (ii) Lease Liabilities

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

The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for terminating the lease, if the lease term reflects the Group exercising the option to terminate. Variable lease payments that do not depend on an index or a rate are recognised as



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(Amounts are ₹ in million unless otherwise stated)

expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable.

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

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

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

## (iv) Group as a lessor - operating lease

Rental income from operating leases is recognized in the statement of profit and loss on a straight-line basis over the term of the relevant lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset is diminished. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying value

of the leased asset and recognized on a straight-line basis over the lease term.

## (v) The Group as lessor - financial lease

At the inception of a lease, the lease arrangement is classified as either a finance lease or an operating lease in the books of lessor, based on contractual terms and substance of the lease arrangement. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

Since principle business of the one of Subsidiary is to engage in BESS project site leasing, income recognition has been done considering guidance for manufacturer or dealer lessor under Ind-AS 116.

Under the said guidance, Revenue is recognized at the lease commencement date at fair value of the leased asset or if lower, present value of the lease payment accruing to the Group calculated on a relative standalone selling price basis as per Ind AS 115 for lease component, discounted using a market rate of interest. These arrange is considered as finance lease and finance lease receivable will be collected over the contract period. In addition, initial direct costs including purchase cost of project site is recognized as expenses net off the present value of unguaranteed residual values at the lease commencement date. Effectively, selling profit or loss on a finance lease is accounted at the commencement date of lease, regardless of whether the subsidiary transfers the underlying asset as described in Ind AS 115. Subsequently, subsidiary Company recognise finance income over the lease term, based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the lease (Reference: Para 71-78 of Ind AS 116).

Amounts due from lessees under finance leases are recognized as receivables at net investment in the leases. Since, contract arrangement contains lease and non-lease components, then the Group applies Ind AS 115 to allocate the consideration in the contract. The Group applies the derecognition and impairment requirements in Ind AS 109 to the net investment in the lease. The Group further regularly reviews estimated unguaranteed residual values used in calculating the gross investment in the lease.



# Notes to the Consolidated Financial Statements

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## 2.12 Earnings Per Share

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

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

## 2.13 Borrowing Costs

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

## 2.14 Cash and cash equivalents

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

## 2.15 Foreign currency translation

### (i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The Group

's financial statements are presented in Indian rupee (Rs.) which is also the Group's functional and presentation currency.

### (ii) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rate prevailing at the date of the transaction. However, for practical reason, the Group uses average rate if the average approximates than actual rate at the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions. Non-monetary items measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value is determined.

### (iii) Exchange differences

Foreign currency translation differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

Exchange differences arising on settlement of transactions or translation of monetary items are recognised as income or expense in the period in which they arise with the exception of exchange differences on gain or loss arising on translation of non-monetary items measured at fair value which is treated in line with the recognition of the gain or loss on the change in fair value of the item (i.e., translation differences on items whose fair value gain or loss is recognised in OCI or profit and loss are also recognised in OCI or profit and loss, respectively). Foreign exchange differences arising on foreign currency borrowings to the extent regarded as borrowing cost are presented in the statement of profit and loss, within finance costs.

All other foreign exchange gains and losses are presented in the statement of profit and loss on a net basis. In determining the spot exchange rate to use on initial recognition of the related asset, expense or income (or part of it) on the derecognition of a nonmonetary asset or non-monetary liability relating to advance

# Notes to the Consolidated Financial Statements

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consideration, the date of the transaction is the date on which the Group initially recognises the non-monetary asset or non-monetary liability arising from the advance consideration. If there are multiple payments or receipts in advance, the Group determines the transaction date for each payment or receipt of advance consideration.

## (iv) Group companies

On consolidation, the results and financial position of foreign operations that have a functional currency different from the presentation currency (Rs.) are translated to the presentation currency (Rs.) in the following manner:

- a) Assets and liabilities are translated at the rate of exchange prevailing at the reporting date
- b) Their statements of profit and loss are translated at exchange rates prevailing at the dates of the transactions. For practical reasons, the group uses an average rate to translate income and expense items, if the average rate approximates the exchange rates at the dates of the transactions
- c) All resulting exchange differences arising on translation of financial statement of foreign operations for consolidation are recognised in other comprehensive income.
- d) On disposal of a foreign operation, the component of OCI relating to that particular foreign operation is recognised in profit or loss.
- e) Any Goodwill arising on the acquisition/ business combination of a foreign operation and any fair value adjustments to the carrying amounts of assets and liabilities arising on the acquisition are treated as assets and liabilities of the foreign operation and translated at the spot rate of exchange at the reporting date.
- f) Gain or loss on a subsequent disposal of any foreign operation excludes translation differences that arose before the date of transition but includes only translation differences arising after the transition date.

## 2.16 Provisions and Contingent Liabilities

### Provisions

A provision is recognised when the Company has a present obligation (legal or constructive) as a result of past event, it is probable that an outflow of resources

embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If the effect of the time value of money is material, provisions are discounted using a current pretax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

### Contingent liabilities

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

### Contingent assets

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

## 2.17 Fair value measurement

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

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

# Notes to the Consolidated Financial Statements

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A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use. The Group 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. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

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

## 2.18 Service Concession arrangements

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

### Revenue

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

### Intangible assets

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

### Determination of fair value

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

## 2.19 Segment Reporting

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

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

## 2.20 Key accounting judgments, estimates and assumptions

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

### a) Group as a lessee

The Group determines the lease term as the noncancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised. The Group has several lease contracts that include extension and termination options. The Group applies judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the

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renewal or termination. After the commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within its control and affects its ability to exercise or not to exercise the option to renew or to terminate (e.g., construction of significant leasehold improvements or significant customisation to the leased asset).

## b) Group as a lessor

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

## c) Defined benefit plans

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

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

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

## d) Impairment of financial assets

The impairment provisions of financial assets are based on assumptions about risk of default and expected loss rates. the Group uses judgment

in making these assumptions and selecting the inputs to the impairment calculation, based on Group's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

## e) Impairment of non-financial assets

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

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

## f) Provision for warranty

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

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

Property, Plant and Equipment, investment property, and intangible assets represent significant portion of the asset base of the Group. The charge in respect of periodic depreciation is derived after determining an estimate of

# Notes to the Consolidated Financial Statements

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assets expected useful life and expected value at the end of its useful life. The useful life and residual value of Group's assets are determined by Management at the time asset is acquired and reviewed periodically including at the end of each year. The Group uses its technical expertise along with historical and industry trends for determining the economic useful life of an asset/component of an asset. The useful lives are reviewed by management periodically and revised, if appropriate. In case of a revision, the unamortised amount is charged over the remaining useful life of the assets.

## 2.21 Recent accounting pronouncements

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

### Amendments to Ind AS 21 - Lack of exchangeability

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

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

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

- What is meant by a right to defer settlement
- That a right to defer must exist at the end of the reporting period
- That classification is unaffected by the likelihood that an entity will exercise its deferral right
- That only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification

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

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

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

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

## 2.22 Standards issued but not yet effective

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

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

In accordance with Ind AS 1 currently applicable, breach of an immaterial covenant is ignored deciding in current vs. non-current classification of liabilities. Also, in case of breach of a material covenant of a non-current loan on or before the reporting date, the entity can obtain waiver from the lender after the reporting date and continue to classify the loan as non-current liability.

In accordance with changes to Ind AS 1 already notified by the MCA, the above relaxations to classify loan as non-current liability will not be available from FY 2026-27 onward and need to be applied retrospectively. Consequently:

- A breach of either material or immaterial covenant will trigger current classification of liability.
- To continue classifying loan as non-current liability, entities will need to obtain waiver from the breach on or before the reporting date.

The Company is currently assessing the impact the amendments will have on its consolidated financial statements.



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## 3 Property, plant and equipment ('PPE')

| Particulars                     | Leasehold land | Freehold land | Building | Plant & machinery | Computer | Office equipment | Motor vehicles | Furniture and fixtures | Total    |
|---------------------------------|----------------|---------------|----------|-------------------|----------|------------------|----------------|------------------------|----------|
| <b>At cost</b>                  |                |               |          |                   |          |                  |                |                        |          |
| <b>Gross carrying value</b>     |                |               |          |                   |          |                  |                |                        |          |
| Balance as at April 01, 2024    | 897.03         | 8.07          | 78.71    | 46.68             | 4.96     | 3.00             | 56.98          | 9.23                   | 1,104.66 |
| Additions                       | -              | -             | -        | 2.68              | 11.25    | 1.78             | 101.08         | 0.92                   | 117.71   |
| Deletions                       | -              | -             | -        | (14.18)           | -        | -                | (3.89)         | -                      | (18.07)  |
| Balance as at March 31, 2025    | 897.03         | 8.07          | 78.71    | 35.18             | 16.21    | 4.78             | 154.17         | 10.15                  | 1,204.30 |
| Additions                       | 39.31          | -             | 327.38   | 274.85            | 30.30    | 30.01            | 0.33           | 19.06                  | 721.24   |
| Deletions                       | -              | -             | -        | (221.70)          | -        | -                | (1.14)         | -                      | (222.84) |
| Transfer (in/out)               | (936.34)       | 936.34        | -        | -                 | -        | -                | -              | -                      | -        |
| Balance as at March 31, 2026    | -              | 944.41        | 406.09   | 88.33             | 46.51    | 34.79            | 153.36         | 29.21                  | 1,702.70 |
| <b>Accumulated depreciation</b> |                |               |          |                   |          |                  |                |                        |          |
| Balance as at April 01, 2024    | -              | -             | 4.16     | 12.84             | 1.90     | 0.85             | 11.84          | 2.12                   | 33.71    |
| Charge for the year             | -              | -             | 3.63     | 10.41             | 2.94     | 1.11             | 19.80          | 1.88                   | 39.77    |
| Disposals                       | -              | -             | -        | (14.18)           | -        | -                | (2.31)         | -                      | (16.49)  |
| Balance as at March 31, 2025    | -              | -             | 7.79     | 9.07              | 4.84     | 1.96             | 29.33          | 4.00                   | 56.98    |
| Charge for the year             | -              | -             | 11.13    | 27.12             | 14.37    | 5.26             | 37.65          | 3.56                   | 99.09    |
| Disposals                       | -              | -             | -        | (19.24)           | -        | -                | -              | -                      | (19.24)  |
| Balance as at March 31, 2026    | -              | -             | 18.92    | 16.95             | 19.21    | 7.22             | 66.98          | 7.56                   | 136.83   |
| <b>Net book value</b>           |                |               |          |                   |          |                  |                |                        |          |
| Balance as at March 31, 2025    | 897.03         | 8.07          | 70.92    | 26.11             | 11.37    | 2.82             | 124.84         | 6.15                   | 1,147.32 |
| Balance as at March 31, 2026    | -              | 944.41        | 387.16   | 71.38             | 27.30    | 27.57            | 86.38          | 21.65                  | 1,565.87 |

### Note:

- Refer note 21 for the assets forming part of property, plant and equipment which are offered as security/charge for the borrowings availed by the Group.
- The freehold land represents land at Bidadi and Jala Industrial Area IT Park, acquired by the Group during financial year 2014-15 from Karnataka Industrial Areas Development Board (KIADB), on a lease-cum-sale basis. The land was under lease for initial period of ten years thereafter the ownership of the land will be transferred in favour of the Group. Total consideration has been paid by Group at the time of inception of agreement to the KIADB for acquisition of land and thereafter, the Group having obligations under lease is yearly recurring maintenance charges during the lease period.

Accordingly, during the current year, the said land has been converted from leasehold to freehold land upon completion of necessary documentation and formalities with KIADB and the Group has now reclassified the said land from leasehold land to freehold land under Property, Plant and Equipment.

- The title deeds of all the immovable properties included in property, plant and equipment, are held in the name of the Group as at the balance sheet dates.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

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## 4 Capital Work In Progress (CWIP)

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

\*It relates to capitalisation under property, plant & equipment of ₹ 569.17 million during the year.

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

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

#### As at March 31, 2026

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

#### As at March 31, 2025

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

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

#### As at March 31, 2026

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 4 Capital Work In Progress (CWIP) (Contd..)

As at March 31, 2025

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

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

## 5 Investment property

| Particulars                         | Building     |
|-------------------------------------|--------------|
| <b>At cost</b>                      |              |
| <b>Gross carrying value</b>         |              |
| <b>Balance as at April 01, 2024</b> | <b>19.82</b> |
| Additions                           | -            |
| Disposals                           | -            |
| <b>Balance as at March 31, 2025</b> | <b>19.82</b> |
| Additions                           | -            |
| Disposals                           | -            |
| <b>Balance as at March 31, 2026</b> | <b>19.82</b> |
| <b>Accumulated depreciation</b>     |              |
| <b>Balance as at April 01, 2024</b> | <b>1.03</b>  |
| Charge for the year                 | 0.92         |
| Disposals                           | -            |
| <b>Balance as at March 31, 2025</b> | <b>1.95</b>  |
| Charge for the year                 | 0.86         |
| Disposals                           | -            |
| <b>Balance as at March 31, 2026</b> | <b>2.81</b>  |
| <b>Net carrying amount</b>          |              |
| <b>Balance as at March 31, 2025</b> | <b>17.87</b> |
| <b>Balance as at March 31, 2026</b> | <b>17.01</b> |

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

Amount recognised in the statement of profit and loss for investment property:

| Particulars                                                    | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|----------------------------------------------------------------|-----------------------------------|-----------------------------------|
| Rental income derived from investment property (refer note 32) | 7.79                              | 6.93                              |
| Depreciation on investment property (refer note 38)            | 0.85                              | 0.92                              |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 5 Investment property (Contd..)

(b) Investment property represents building at Bidadi, Karnataka given on lease w.e.f. April 01,2019.

- (i) The Group had obtained independent valuation of ₹ 37.33 million from certified valuer for its investment property as at March 31,2026, (₹36.67 million for March 31,2025) and these valuations are based on valuation performed by an independent valuer registered in terms of the Act.
- (ii) There is no contractual obligation to purchase, construct or develop investment property or for repairs, maintenance and enhancement thereof and there are no restriction on remittance of income and proceeds of disposal.
- (iii) The investment property is Building purchased through sale-cum lease agreement. The formalities of registration of sale cum lease agreement are completed.
- (iv) The title deeds of investment properties are held in the name of the Group as at the balance sheet dates.

## 6 Right-of-use assets (ROU)

| Particulars                     | Office Building | Plant & Machinery | Total  |
|---------------------------------|-----------------|-------------------|--------|
| <b>Gross block</b>              |                 |                   |        |
| Balance as at April 01, 2024    | 5.25            | -                 | 5.25   |
| Additions                       | 7.29            | -                 | 7.29   |
| Disposals                       | -               | -                 | -      |
| Balance as at March 31, 2025    | 12.54           | -                 | 12.54  |
| Additions                       | -               | 198.00            | 198.00 |
| Disposals                       | -               | -                 | -      |
| Balance as at March 31, 2026    | 12.54           | 198.00            | 210.54 |
| <b>Accumulated depreciation</b> |                 |                   |        |
| Balance as at April 01, 2024    | 0.44            | -                 | 0.44   |
| Charge for the year             | 3.77            | -                 | 3.77   |
| Deletions                       | -               | -                 | -      |
| Balance as at March 31, 2025    | 4.21            | -                 | 4.21   |
| Charge for the year             | 4.18            | 0.16              | 4.34   |
| Deletions                       | -               | -                 | -      |
| Balance as at March 31, 2026    | 8.39            | 0.16              | 8.56   |
| <b>Net block</b>                |                 |                   |        |
| Balance as at March 31, 2025    | 8.33            | -                 | 8.33   |
| Balance as at March 31, 2026    | 4.15            | 197.84            | 201.98 |

### Notes:

- (i) Refer note 41 for disclosure on leased assets.

## 7 Goodwill

| Particulars                                | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------|-------------------------|-------------------------|
| Goodwill on account of business aquisition | 3.64                    | 3.64                    |
| <b>Total</b>                               | <b>3.64</b>             | <b>3.64</b>             |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 7 Goodwill (ROU) (Contd..)

### Goodwill impairment

Goodwill is tested for impairment annually. The recoverable amount of the cash-generating unit is determined based on its value in use. This value is calculated using future cash flows, which require assumptions such as sales growth, gross margin, and operating income margin.

The assumptions are based on the Group's past experience, existing economic conditions and trends, estimated future growth rates, and anticipated future economic conditions. None of the key assumptions are sensitive to the recoverable amount of any of the CGUs.

An analysis of the sensitivity of the computation to changes in key assumptions (operating margin, discount rates, and long-term average growth rate) is conducted. Based on any reasonable changes, the Group identifies any probable scenarios where the recoverable amount of the CGU could decrease below its carrying amount.

The estimated value-in-use of the CGU is based on future cash flows, using an estimated long-term average growth rate and a discount rate.

## 8 Other intangible assets

| Particulars                         | Software<br>(Bought out) | Right of<br>infrastructure<br>development* | Total         |
|-------------------------------------|--------------------------|--------------------------------------------|---------------|
| <b>At cost</b>                      |                          |                                            |               |
| <b>Gross carrying value</b>         |                          |                                            |               |
| <b>Balance as at April 01, 2024</b> | <b>14.05</b>             | <b>292.08</b>                              | <b>306.13</b> |
| Additions                           | 0.55                     | 24.13                                      | 24.68         |
| Disposals                           | (12.77)                  | -                                          | (12.77)       |
| <b>Balance as at March 31, 2025</b> | <b>1.83</b>              | <b>316.21</b>                              | <b>318.04</b> |
| Additions                           | 32.70                    | -                                          | 32.70         |
| Disposals                           | -                        | -                                          | -             |
| <b>Balance as at March 31, 2026</b> | <b>34.53</b>             | <b>316.21</b>                              | <b>350.74</b> |
| <b>Accumulated amortisation</b>     |                          |                                            |               |
| <b>Balance as at April 01, 2024</b> | <b>1.48</b>              | <b>14.27</b>                               | <b>15.75</b>  |
| Charge for the year                 | 0.60                     | 15.41                                      | 16.01         |
| Disposals                           | (1.21)                   | -                                          | (1.21)        |
| <b>Balance as at March 31, 2025</b> | <b>0.87</b>              | <b>29.68</b>                               | <b>30.55</b>  |
| Charge for the year                 | 0.38                     | 15.38                                      | 15.76         |
| Disposals                           | -                        | -                                          | -             |
| <b>Balance as at March 31, 2026</b> | <b>1.25</b>              | <b>45.06</b>                               | <b>46.31</b>  |
| <b>Net block</b>                    |                          |                                            |               |
| <b>Balance as at March 31, 2025</b> | <b>0.96</b>              | <b>286.53</b>                              | <b>287.50</b> |
| <b>Balance as at March 31, 2026</b> | <b>33.28</b>             | <b>271.15</b>                              | <b>304.44</b> |

### Note:-

\* The group has developed a "Solar Power Plant" on behalf of Krishna Bhagya Jala Nigam Limited (KBJNL) for supplying of electricity exclusively for the benefit of KBJNL and maintenance of the project over the period of 25 years from the date of installation.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 9 Other financial assets - non current

| Particulars                                                                  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Unsecured, considered good</b>                                            |                         |                         |
| Security deposits*                                                           | 0.13                    | 0.13                    |
| Retention money receivables                                                  | 538.58                  | 416.72                  |
| Bank deposit with maturity for more than 12 months from the reporting date # | 829.13                  | 953.96                  |
| <b>Total</b>                                                                 | <b>1,367.84</b>         | <b>1,370.81</b>         |

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

# The above deposit includes ₹829.13 million as at March 31, 2026 (₹ 953.96 as at March 31, 2025) are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments.

## 10 Deferred tax asset/liabilities (net)

| Particulars                               | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------------|-------------------------|-------------------------|
| Deferred tax assets (net) (Refer note 41) | 138.51                  | 226.92                  |
| <b>Total</b>                              | <b>138.51</b>           | <b>226.92</b>           |

## 11 Non-current tax assets

| Particulars                                 | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------|-------------------------|-------------------------|
| Income tax assets (net of provision of tax) | 34.39                   | 48.25                   |
| <b>Total</b>                                | <b>34.39</b>            | <b>48.25</b>            |

## 12 Inventories (at lower of cost and net realisable value)

| Particulars                  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------|-------------------------|-------------------------|
| Raw materials and components | 5,049.29                | 1,100.68                |
| Finished goods               | 353.82                  | 25.61                   |
| <b>Total</b>                 | <b>5,403.10</b>         | <b>1,126.29</b>         |

### Note:

- Inventory have been pledged as security against bank borrowings, details relating to which have been given in note 21.
- The raw material component is net off by the provision for slow-moving inventory.
- Inventory lying with clearing and forwarding agents (CHA) of ₹819.95 million and (Previous year: Nil). These inventories are under the control of customs authorities and are released upon fulfillment of applicable regulations and payment of duties, where applicable.

## 13.1 Trade receivables

| (a) Particulars                               | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------------------|-------------------------|-------------------------|
| <b>(Unsecured unless otherwise stated)</b>    |                         |                         |
| Trade receivables considered good - unsecured | 20,933.56               | 12,847.84               |
| Trade receivable-credit impaired              | 174.30                  | 202.17                  |
| <b>Total trade receivables</b>                | <b>21,107.86</b>        | <b>13,050.01</b>        |
| Less: Expected credit loss allowance          | 442.41                  | 340.20                  |
| <b>Net trade receivables</b>                  | <b>20,665.45</b>        | <b>12,709.81</b>        |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 13.1 Trade receivables (Contd..)

| Particulars                                                               | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Of the above, trade receivables from related parties are as below*</b> |                         |                         |
| Trade receivables due from related parties (refer note 46)                | 23.02                   | 14.79                   |
| <b>Total</b>                                                              | <b>23.02</b>            | <b>14.79</b>            |

**Note:**

- Trade receivables are non-interest bearing and due after 0 to 90 days from the due date.
- Refer note 47 for information about credit risk and market risk of trade receivables.

### (b) Current trade receivables ageing schedules

#### As at March 31, 2026

| Particulars                                                                  | Unbilled        | Not due         | Outstanding for following periods from due date of payment |                   |                 |               |                   | Total            |
|------------------------------------------------------------------------------|-----------------|-----------------|------------------------------------------------------------|-------------------|-----------------|---------------|-------------------|------------------|
|                                                                              |                 |                 | Less than 6 months                                         | 6 Months - 1 year | 1 - 2 years     | 2 - 3 years   | More than 3 years |                  |
| Undisputed trade receivables- considered good                                | 7,039.97        | 4,790.32        | 3,520.70                                                   | 1,874.60          | 2,476.20        | 720.90        | 510.87            | 20,933.56        |
| 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                                  | -               | -               | -                                                          | -                 | 31.48           | 19.34         | 123.48            | 174.30           |
| <b>Total</b>                                                                 | <b>7,039.97</b> | <b>4,790.32</b> | <b>3,520.70</b>                                            | <b>1,874.60</b>   | <b>2,507.68</b> | <b>740.24</b> | <b>634.35</b>     | <b>21,107.86</b> |
| Less: Expected credit loss allowance                                         | -               | -               | -                                                          | -                 | -               | -             | -                 | (442.41)         |
| <b>Total</b>                                                                 | <b>7,039.97</b> | <b>4,790.32</b> | <b>3,520.70</b>                                            | <b>1,874.60</b>   | <b>2,507.68</b> | <b>740.24</b> | <b>634.35</b>     | <b>20,665.45</b> |

#### As at March 31, 2025

| Particulars                                                                  | Unbilled | Not due  | Outstanding for following periods from due date of payment |                   |             |             |                   | Total     |
|------------------------------------------------------------------------------|----------|----------|------------------------------------------------------------|-------------------|-------------|-------------|-------------------|-----------|
|                                                                              |          |          | Less than 6 months                                         | 6 Months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |           |
| Undisputed trade receivables- considered good                                | 1,498.33 | 4,487.00 | 3,546.63                                                   | 2,077.66          | 1,149.02    | 67.32       | 21.88             | 12,847.84 |
| Undisputed trade receivables- which have significant increase in credit risk | -        | -        | -                                                          | -                 | -           | -           | -                 | -         |



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 13.1 Trade receivables (Contd..)

| Particulars                                                                | Unbilled        | Not due         | Outstanding for following periods from due date of payment |                   |                 |              |                   | Total            |
|----------------------------------------------------------------------------|-----------------|-----------------|------------------------------------------------------------|-------------------|-----------------|--------------|-------------------|------------------|
|                                                                            |                 |                 | Less than 6 months                                         | 6 Months - 1 year | 1 - 2 years     | 2 - 3 years  | More than 3 years |                  |
| Undisputed trade receivables- credit impaired                              | -               | -               | -                                                          | -                 | -               | -            | -                 | -                |
| Disputed trade receivables- considered good                                | -               | -               | -                                                          | -                 | -               | -            | -                 | -                |
| Disputed trade receivables- which have significant increase in credit risk | -               | -               | -                                                          | -                 | -               | -            | -                 | -                |
| Disputed trade receivables- credit impaired                                | -               | -               | -                                                          | -                 | 31.48           | 19.70        | 150.99            | 202.17           |
| <b>Total</b>                                                               | <b>1,498.33</b> | <b>4,487.00</b> | <b>3,546.63</b>                                            | <b>2,077.66</b>   | <b>1,180.50</b> | <b>87.02</b> | <b>172.87</b>     | <b>13,050.01</b> |
| Less: Expected credit loss allowance                                       | -               | -               | -                                                          | -                 | -               | -            | -                 | (340.20)         |
| <b>Total</b>                                                               | <b>1,498.33</b> | <b>4,487.00</b> | <b>3,546.63</b>                                            | <b>2,077.66</b>   | <b>1,180.50</b> | <b>87.02</b> | <b>172.87</b>     | <b>12,709.81</b> |

## 13.2 Trade receivables -Non-current

| (a) Particulars                               | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------------------------|----------------------|----------------------|
| <b>(Unsecured unless otherwise stated)</b>    |                      |                      |
| Trade receivables considered good - unsecured | 3,756.24             | 2,946.05             |
| Trade receivable-credit impaired              | -                    | -                    |
| <b>Total trade receivables</b>                | <b>3,756.24</b>      | <b>2,946.05</b>      |
| Less: Expected credit loss allowance          | -                    | -                    |
| <b>Net trade receivables</b>                  | <b>3,756.24</b>      | <b>2,946.05</b>      |

### Note:

- Trade receivables are non-interest bearing and due after 0 to 90 days from the due date.
- Refer note 47 for information about credit risk and market risk of trade receivables.

## (b) Non-current trade receivables ageing schedules

As at March 31, 2026

| Particulars                                                                  | Unbilled | Not due | Outstanding for following periods from due date of payment |                   |             |             |                   | Total    |
|------------------------------------------------------------------------------|----------|---------|------------------------------------------------------------|-------------------|-------------|-------------|-------------------|----------|
|                                                                              |          |         | Less than 6 months                                         | 6 Months - 1 year | 1 - 2 years | 2 - 3 years | More than 3 years |          |
| Undisputed trade receivables- considered good                                | 3,756.24 | -       | -                                                          | -                 | -           | -           | -                 | 3,756.24 |
| Undisputed trade receivables- which have significant increase in credit risk | -        | -       | -                                                          | -                 | -           | -           | -                 | -        |
| Undisputed trade receivables- credit impaired                                | -        | -       | -                                                          | -                 | -           | -           | -                 | -        |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 13.2 Trade receivables -Non-current (Contd..)

| Particulars                                                                     | Unbilled        | Not due | Outstanding for following periods<br>from due date of payment |                         |                |                |                         | Total           |
|---------------------------------------------------------------------------------|-----------------|---------|---------------------------------------------------------------|-------------------------|----------------|----------------|-------------------------|-----------------|
|                                                                                 |                 |         | Less than<br>6 months                                         | 6<br>Months -<br>1 year | 1 - 2<br>years | 2 - 3<br>years | More<br>than 3<br>years |                 |
| Disputed trade receivables-<br>considered good                                  | -               | -       | -                                                             | -                       | -              | -              | -                       | -               |
| Disputed trade receivables-<br>which has significant<br>increase in credit risk | -               | -       | -                                                             | -                       | -              | -              | -                       | -               |
| Disputed trade receivables-<br>credit impaired                                  | -               | -       | -                                                             | -                       | -              | -              | -                       | -               |
| <b>Total</b>                                                                    | <b>3,756.24</b> | -       | -                                                             | -                       | -              | -              | -                       | <b>3,756.24</b> |
| Less: Expected credit loss<br>allowance                                         | -               | -       | -                                                             | -                       | -              | -              | -                       | -               |
| <b>Total</b>                                                                    | <b>3,756.24</b> | -       | -                                                             | -                       | -              | -              | -                       | <b>3,756.24</b> |

### As at March 31, 2025

| Particulars                                                                           | Unbilled        | Not due | Outstanding for following periods<br>from due date of payment |                      |                |                |                         | Total           |
|---------------------------------------------------------------------------------------|-----------------|---------|---------------------------------------------------------------|----------------------|----------------|----------------|-------------------------|-----------------|
|                                                                                       |                 |         | Less than<br>6 months                                         | 6 Months<br>- 1 year | 1 - 2<br>years | 2 - 3<br>years | More<br>than 3<br>years |                 |
| Undisputed trade<br>receivables- considered<br>good                                   | 2,946.05        | -       | -                                                             | -                    | -              | -              | -                       | 2,946.05        |
| Undisputed trade<br>receivables- which have<br>significant increase in credit<br>risk | -               | -       | -                                                             | -                    | -              | -              | -                       | -               |
| Undisputed trade<br>receivables- credit impaired                                      | -               | -       | -                                                             | -                    | -              | -              | -                       | -               |
| Disputed trade receivables-<br>considered good                                        | -               | -       | -                                                             | -                    | -              | -              | -                       | -               |
| Disputed trade receivables-<br>which have significant<br>increase in credit risk      | -               | -       | -                                                             | -                    | -              | -              | -                       | -               |
| Disputed trade receivables-<br>credit impaired                                        | -               | -       | -                                                             | -                    | -              | -              | -                       | -               |
| <b>Total</b>                                                                          | <b>2,946.05</b> | -       | -                                                             | -                    | -              | -              | -                       | <b>2,946.05</b> |
| Less: Expected credit loss<br>allowance                                               | -               | -       | -                                                             | -                    | -              | -              | -                       | -               |
| <b>Total</b>                                                                          | <b>2,946.05</b> | -       | -                                                             | -                    | -              | -              | -                       | <b>2,946.05</b> |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 14 Finance lease receivable - at amortised cost

| Particulars                              | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------|-------------------------|-------------------------|
| <b>Non-current</b>                       |                         |                         |
| Finance lease receivable (Refer note 44) | 5,315.04                | -                       |
| <b>Total</b>                             | <b>5,315.04</b>         | <b>-</b>                |
| <b>Current</b>                           |                         |                         |
| Finance lease receivable (Refer note 44) | 253.42                  | -                       |
| <b>Total</b>                             | <b>253.42</b>           | <b>-</b>                |

## 15 Cash and cash equivalents

| Particulars         | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------|-------------------------|-------------------------|
| Balances with banks |                         |                         |
| On current accounts | 2,698.63                | 782.19                  |
| Cash on hand        | 1.09                    | 1.35                    |
| <b>Total</b>        | <b>2,699.72</b>         | <b>783.54</b>           |

\*Includes amount proceeds from Initial Public Offer (IPO) of ₹902.72 million (March 31, 2025: Nil) held with a scheduled commercial bank which will be utilised for the purpose as stated in the prospectus.

## 16 Bank balances other than cash and cash equivalents

| Particulars                                                                                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Bank deposits with remaining maturity for more than three months but less than twelve months* | 4,991.27                | 1,380.49                |
| <b>Total</b>                                                                                  | <b>4,991.27</b>         | <b>1,380.49</b>         |

\*The above deposit includes ₹3,287.96 million as at March 31, 2026 (₹1,380.49 million as at March 31, 2025) are held as security with bank against borrowings, guarantee given and issuance of letter of credit and other commitments. further, It also Includes proceeds from Initial Public Offer (IPO) of ₹1,254.00 million (March 31, 2025: Nil) and will be utilised for the purpose as stated in the prospectus.

## 17 Other financial assets-current

| Particulars                                                | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------|-------------------------|-------------------------|
| <b>Unsecured, considered good, unless otherwise stated</b> |                         |                         |
| Security deposits* (Refer note 44)                         | 66.18                   | 74.23                   |
| Retention money receivables                                | 1,902.52                | 2,358.60                |
| Other receivables                                          | 0.04                    | 0.02                    |
| <b>Total</b>                                               | <b>1,968.74</b>         | <b>2,432.85</b>         |

\*It includes amount of security deposit pertains to related party of ₹ 21.26 million as at March 31, 2026 (₹21.26 million as at March 31, 2025)

## 18 Other assets

| Particulars                         | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------|-------------------------|-------------------------|
| <b>Other non current asset</b>      |                         |                         |
| Prepaid expenses                    | 31.07                   | 89.85                   |
| Balance with government authorities | 76.59                   | 190.57                  |
| Capital advances                    | 288.84                  | -                       |
| <b>Total</b>                        | <b>396.50</b>           | <b>280.42</b>           |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 18 Other assets (Contd..)

| Particulars                         | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------|-------------------------|-------------------------|
| <b>Other current asset</b>          |                         |                         |
| Balance with government authorities | 1,673.74                | 503.88                  |
| <b>Advance to suppliers</b>         |                         |                         |
| to related party (refer note 44)    | 121.81                  | 121.81                  |
| to others                           | 1,457.33                | 677.10                  |
| Prepaid expenses                    | 395.22                  | 71.64                   |
| Advance to employees*               | 28.00                   | 24.19                   |
| <b>Total</b>                        | <b>3,676.10</b>         | <b>1,398.62</b>         |

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

## 19 Equity share capital

| Particulars                                               | As at March 31, 2026 |               | As at March 31, 2025 |               |
|-----------------------------------------------------------|----------------------|---------------|----------------------|---------------|
|                                                           | No. of shares        | Amount        | No. of shares        | Amount        |
| <b>Authorised share capital</b>                           |                      |               |                      |               |
| Equity shares of ₹ 2 each (₹ 2 each as at March 31, 2025) | 46,00,00,000         | 920.00        | 46,00,00,000         | 920.00        |
|                                                           | <b>46,00,00,000</b>  | <b>920.00</b> | <b>46,00,00,000</b>  | <b>920.00</b> |
| <b>Issued, subscribed and fully paid up:</b>              |                      |               |                      |               |
| Equity shares of ₹ 2 each (₹ 2 each as at March 31, 2025) | 21,58,51,327         | 431.70        | 17,84,42,280         | 356.88        |
|                                                           | <b>21,58,51,327</b>  | <b>431.70</b> | <b>17,84,42,280</b>  | <b>356.88</b> |

### Note:

#### (a) Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| Particulars                                                                                      | As at March 31, 2026 |               | As at March 31, 2025 |               |
|--------------------------------------------------------------------------------------------------|----------------------|---------------|----------------------|---------------|
|                                                                                                  | No. of shares        | Amount        | No. of shares        | Amount        |
| At the commencement of the year                                                                  | 17,84,42,280         | 356.88        | 50,00,000            | 50.00         |
| Add: Equity shares issued during the year (₹ 10 each) *                                          | -                    | -             | 8,29,026             | 8.29          |
| <b>Total before split (₹ 10 each)</b>                                                            | <b>17,84,42,280</b>  | <b>356.88</b> | <b>58,29,026</b>     | <b>58.29</b>  |
| Adjustment for split of shares from ₹ 10 to ₹ 2 (Refer note below)                               | -                    | -             | 2,91,45,130          | -             |
| Add: Equity shares issued during the year (₹ 2 each) #                                           | -                    | -             | 5,95,250             | 1.19          |
| Add: Bonus shares issued during the year (₹ 2 each)                                              | -                    | -             | 14,87,01,900         | 297.40        |
| Add: Equity shares issued during the year due to Initial public offer (₹ 2 each) (refer note 52) | 3,74,09,047          | 74.82         | -                    | -             |
| <b>At the end of the year</b>                                                                    | <b>21,58,51,327</b>  | <b>431.70</b> | <b>17,84,42,280</b>  | <b>356.88</b> |

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

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 19 Equity share capital (Contd..)

### Sub-division of equity shares

During the previous year, the Holding Company approved the sub-division of each equity share having a face value of ₹ 10 into 5 equity shares of ₹ 2 each, pursuant to the resolution passed by the shareholders at the extraordinary general meeting held on October 16, 2024. The share split became effective from the record date, November 06, 2024.

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

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

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

### (c) Details of shareholders holding more than 5% shares in the Holding Company are set out below

| Name of the shareholder | As at March 31, 2026 |               | As at March 31, 2025 |               |
|-------------------------|----------------------|---------------|----------------------|---------------|
|                         | No. of shares        | % of holding  | No. of shares        | % of holding  |
| Venugopalrao Maddisetty | 5,00,33,310          | 23.18%        | 5,00,33,310          | 28.04%        |
| Maddisetty Padma        | 4,99,83,330          | 23.16%        | 4,99,83,330          | 28.01%        |
| Rajiv Maddisetty        | 2,50,41,680          | 11.60%        | 2,49,91,680          | 14.01%        |
| Lahari Maddisetty       | 2,49,91,680          | 11.58%        | 2,49,91,680          | 14.01%        |
|                         | <b>15,00,50,000</b>  | <b>69.52%</b> | <b>15,00,00,000</b>  | <b>84.07%</b> |

### (d) Details of shares held by promoter and promoter group :

| Particulars             | As at March 31, 2026 |               |               | As at March 31, 2025 |               |               |
|-------------------------|----------------------|---------------|---------------|----------------------|---------------|---------------|
|                         | Number of shares     | % of holding  | % of change   | Number of shares     | % of holding  | % of change   |
| Venugopalrao Maddisetty | 5,00,33,310          | 23.18%        | 4.86%         | 5,00,33,310          | 28.04%        | 5.32%         |
| Maddisetty Padma        | 4,99,83,330          | 23.16%        | 4.85%         | 4,99,83,330          | 28.01%        | 5.31%         |
| Rajiv Maddisetty        | 2,50,41,680          | 11.60%        | 2.40%         | 2,49,91,680          | 14.01%        | 2.66%         |
| Lahari Maddisetty       | 2,49,91,680          | 11.58%        | 2.43%         | 2,49,91,680          | 14.01%        | 2.66%         |
| Mudduluru Dheeraj Varma | 7,140                | 0.00%         | 0.00%         | 7,140                | 0.00%         | 0.00%         |
|                         | <b>15,00,57,140</b>  | <b>69.52%</b> | <b>14.55%</b> | <b>15,00,07,140</b>  | <b>84.07%</b> | <b>15.93%</b> |

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

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

### (e) Aggregate number of bonus shares issued, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date :

The Holding Company has not allotted any fully paid up shares pursuant to contract(s) without payment being received in cash. The Holding Company has not bought back any class of shares during the period of five years immediately preceding the balance sheet date except the detail as mentioned below:

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 19 Equity share capital (Contd..)

### Bonus issue of equity shares

During the previous year, the Holding Company issued and allotted fully paid-up bonus shares at par in the ratio of 5:1 (i.e., five equity shares of ₹ 2 each for every one fully paid-up equity share of ₹ 2 each), pursuant to the shareholders' approval granted in the Extra-Ordinary General Meeting held on February 01, 2025 and Board meeting held on February 03, 2025 respectively. The allotment was made based on the record date of January 31, 2025.

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

## 20 Other equity

| Particulars                                                     |     | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------------------------------------|-----|-------------------------|-------------------------|
| Retained earnings                                               | i   | 10,713.94               | 7,740.96                |
| Other comprehensive income                                      | ii  | 20.66                   | 23.05                   |
| Capital reserve                                                 | iii | 119.07                  | 119.07                  |
| General reserve                                                 | iv  | 37.71                   | 37.71                   |
| Foreign currency translation reserve                            | v   | (3.00)                  | (3.80)                  |
| Securities premium                                              | vi  | 10,752.90               | 3,425.08                |
| <b>Total other equity</b>                                       |     | <b>21,641.28</b>        | <b>11,342.07</b>        |
| <b>(i) Retained earnings</b>                                    |     |                         |                         |
| Opening balance                                                 |     | 7,740.96                | 5,064.88                |
| Add: Profit for the year                                        |     | 2,975.68                | 2,676.08                |
| Less: Acquisition of additional interest in subsidiary          |     | (2.70)                  | -                       |
| <b>Closing balance *</b>                                        |     | <b>10,713.94</b>        | <b>7,740.96</b>         |
| <b>(ii) Other comprehensive income</b>                          |     |                         |                         |
| Opening balance                                                 |     | 23.05                   | 22.84                   |
| Add/(Less): Addition during the year                            |     | (2.39)                  | 0.21                    |
| <b>Closing Balance</b>                                          |     | <b>20.66</b>            | <b>23.05</b>            |
| <b>(iii) Capital reserve</b>                                    |     |                         |                         |
| Opening balance                                                 |     | 119.07                  | 119.07                  |
| Add/(Less): Addition during the year                            |     | -                       | -                       |
| <b>Closing balance</b>                                          |     | <b>119.07</b>           | <b>119.07</b>           |
| <b>(iv) General reserve</b>                                     |     |                         |                         |
| Opening balance                                                 |     | 37.71                   | 37.71                   |
| Add/(Less): Addition during the year                            |     | -                       | -                       |
| <b>Closing balance</b>                                          |     | <b>37.71</b>            | <b>37.71</b>            |
| <b>(v) Foreign currency translation reserve</b>                 |     |                         |                         |
| Opening balance                                                 |     | (3.80)                  | (4.33)                  |
| Add/(Less): Addition during the year                            |     | 0.80                    | 0.53                    |
| <b>Closing balance</b>                                          |     | <b>(3.00)</b>           | <b>(3.80)</b>           |
| <b>(vi) Securities premium</b>                                  |     |                         |                         |
| Opening balance                                                 |     | 3,425.08                | 105.60                  |
| Add: Securities premium on equity shares issued during the year |     | 8,116.66                | 3,972.44                |
| Less: Bonus issue                                               |     | -                       | (297.40)                |
| Less: Pre-IPO expenses debited to securities premium            |     | (788.84)                | (355.56)                |
| <b>Closing balance</b>                                          |     | <b>10,752.90</b>        | <b>3,425.08</b>         |
| <b>Total (i+ii+iii+iv+v+vi)</b>                                 |     | <b>21,641.29</b>        | <b>11,342.07</b>        |

\* Its includes revaluation reserve of ₹ 780.43 million as at March 31, 2026 and ₹ 780.43 million as at March 31, 2025 arising from the revaluation of assets.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 20 Other equity (Contd..)

### B. Nature and purpose of reserves:

#### (i) Retained earnings

Retained earnings are profit/loss that the Group has earned till date less transfer to other reserve, dividend or other distribution or transaction with shareholder.

#### (ii) Other items of other comprehensive income

Other items of other comprehensive income consist of re-measurement of net defined benefit liability.

#### (iii) Capital reserve

Capital reserve represents the accumulated excess of the fair value of net assets acquired under acquisition over the aggregate consideration transferred.

#### (iv) General reserve

The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes. There is no policy of regular transfer. As the general reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive income, items included in the general reserve will not be reclassified subsequently to profit or loss.

#### (v) Foreign currency translation reserve

The exchange differences arising on translation of foreign operations for consolidation are recognised foreign currency translation reserve in other comprehensive income. On disposal of a foreign operation, the component of other comprehensive income relating to that particular foreign operation is recognised in statement of profit and loss.

#### (vi) Securities premium

The securities premium is used to record the premium received on the issue of shares. This reserve can be utilized only for limited purposes, such as the issuance of bonus shares, in accordance with the provisions of the Companies Act, 2013.

## 21 Borrowings (Non current)

| Particulars                     | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------|-------------------------|-------------------------|
| <b>(A) Secured</b>              |                         |                         |
| <b>Term loan</b>                |                         |                         |
| from banks                      | 71.22                   | 120.52                  |
| from financial institution      | 5,995.94                | 121.23                  |
| <b>Total secured borrowings</b> | <b>6,067.16</b>         | <b>241.75</b>           |

Secured loans are covered as follows :

| Particulars                                                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Term loan from banks</b>                                            |                         |                         |
| <b>1) Guaranteed Emergency Credit Line (GECL) Loan: Canara Bank</b>    | 13.65                   | 40.95                   |
| Less: Current maturities disclosed as short-term borrowings in note 25 | (13.65)                 | (27.30)                 |
| <b>(A)</b>                                                             | <b>-</b>                | <b>13.65</b>            |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 21 Borrowings (Non current) (Contd..)

| Particulars                                                                                                                    | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>Terms &amp; conditions</b>                                                                                                  |                         |                         |
| <b>Rate of interest:</b> Interest rate is a floating interest rate ranges from 6.25%-9.5% p.a. (March 31, 2025: 7.5%-9.25%p.a) |                         |                         |
| <b>Repayment:</b> 48 EMI's with moratorium of 12 months w.e.f December 13, 2022                                                |                         |                         |
| <b>Security details:</b> Loan given under working capital limit, with securities of debtors & stock.                           |                         |                         |
| <b>2) Guaranteed Emergency Credit Line (GECL) Loan: Canara Bank</b>                                                            | 27.30                   | 40.95                   |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                         | (13.65)                 | (13.65)                 |
| <b>(B)</b>                                                                                                                     | <b>13.65</b>            | <b>27.30</b>            |
| <b>Terms &amp; conditions</b>                                                                                                  |                         |                         |
| <b>Rate of Interest:</b> Interest rate is a floating interest rate ranges from 6.25%-9.5% p.a. (March 31, 2025: 7.5%-9.25%p.a) |                         |                         |
| <b>Repayment:</b> 48 EMI's after moratorium period of 24 Months i.e., December 06, 2023                                        |                         |                         |
| <b>Security details:</b> Secured against debtors and stock                                                                     |                         |                         |
| <b>3) Guaranteed Emergency Credit Line (GECL) Loan: Canara Bank</b>                                                            | -                       | 11.52                   |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                         | -                       | (11.52)                 |
| <b>(C)</b>                                                                                                                     | <b>-</b>                | <b>-</b>                |
| <b>Terms &amp; conditions</b>                                                                                                  |                         |                         |
| <b>Rate of Interest:</b> 9.25% p.a                                                                                             |                         |                         |
| <b>Repayment:</b> 36 EMI's after 12 months moratorium period w.e.f. December 31, 2022                                          |                         |                         |
| <b>Security details:</b> Loan given under working capital limit, with securities of debtors & stock                            |                         |                         |
| <b>4) Guaranteed Emergency Credit Line (GECL) Loan : Canara Bank</b>                                                           | 12.23                   | 24.47                   |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                         | (12.23)                 | (12.23)                 |
| <b>(D)</b>                                                                                                                     | <b>-</b>                | <b>12.23</b>            |
| <b>Terms &amp; conditions</b>                                                                                                  |                         |                         |
| <b>Rate of Interest :</b> 9.25% p.a                                                                                            |                         |                         |
| <b>Repayment :</b> 36 EMI's after 24 Months Moratorium period w.e.f. April 25,2024                                             |                         |                         |
| <b>Security details :</b> Loan given under working capital limit, with securities of debtors & stock                           |                         |                         |
| <b>5) Vehicle loan: Canara bank</b>                                                                                            | 67.33                   | 76.03                   |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                         | (9.76)                  | (8.70)                  |
| <b>(E)</b>                                                                                                                     | <b>57.57</b>            | <b>67.33</b>            |
| <b>Terms &amp; conditions</b>                                                                                                  |                         |                         |
| <b>Rate of interest:</b> 8.50% p.a.                                                                                            |                         |                         |
| <b>Repayment:</b> Repayable in 84 EMI's                                                                                        |                         |                         |
| <b>Security details:</b> Loan given under hypothecation of 4 wheeler                                                           |                         |                         |
| <b>Term loan from financial institutions</b>                                                                                   |                         |                         |
| <b>6) Oxyzo Financial Services Private Limited term loan</b>                                                                   | 130.82                  | 125.50                  |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                         | (130.82)                | (92.16)                 |
| <b>(F)</b>                                                                                                                     | <b>-</b>                | <b>33.33</b>            |
| <b>Terms &amp; conditions</b>                                                                                                  |                         |                         |
| <b>Rate of interest:</b> 13.25% p.a.                                                                                           |                         |                         |
| <b>Repayment:</b> Repayable in 12 EMI's w.e.f. December 26, 2025                                                               |                         |                         |
| <b>Security details:</b> Loan given under term loan, with cash collateral lien of fixed deposit                                |                         |                         |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 21 Borrowings (Non current) (Contd..)

| Particulars                                                                                                                                                                      | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| <b>7) Indian Renewable Energy Development Agency Limited - IREDA</b>                                                                                                             | 87.90                   | 115.13                  |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                                                                           | (27.24)                 | (27.24)                 |
| <b>(G)</b>                                                                                                                                                                       | <b>60.66</b>            | <b>87.90</b>            |
| <b>Terms &amp; conditions</b>                                                                                                                                                    |                         |                         |
| <b>Rate of interest:</b> Interest rate is a floating interest rate ranges from 8.96%-10.20%p.a.<br>(March 31, 2025: 8.96%-10.20%p.a.)                                            |                         |                         |
| <b>Repayment:</b> Repayable in quarterly installments over 10 Years                                                                                                              |                         |                         |
| <b>Security details:</b> Against charge on movable assets of project and personal guarantee of promoters as a financial assistance by Indian Renewable Energy Development Agency |                         |                         |
| <b>8) Guaranteed Emergency Credit Line (GECL) Loan - IREDA</b>                                                                                                                   | -                       | 12.91                   |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                                                                           | -                       | (12.91)                 |
| <b>(H)</b>                                                                                                                                                                       | <b>-</b>                | <b>-</b>                |
| <b>Terms &amp; conditions</b>                                                                                                                                                    |                         |                         |
| <b>Rate of interest :</b> Interest rate is a floating interest rate ranges from 8.96%-10.20%p.a.(March 31, 2025: 8.96%-10.20%p.a.)                                               |                         |                         |
| <b>Repayment :</b> Repayable in 48 EMI's w.e.f. 28.02.2022                                                                                                                       |                         |                         |
| <b>Security details :</b> Loan given under against charges on movable assets of project & personal guarantee of promoters"                                                       |                         |                         |
| <b>9) Toyota Financial Services India Ltd.</b>                                                                                                                                   | -                       | 0.44                    |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                                                                           | -                       | (0.44)                  |
| <b>(I)</b>                                                                                                                                                                       | <b>-</b>                | <b>-</b>                |
| <b>Terms &amp; conditions</b>                                                                                                                                                    |                         |                         |
| <b>Rate of Interest:</b> 7.45% p.a                                                                                                                                               |                         |                         |
| <b>Repayment:</b> Repayable in 36 EMIs                                                                                                                                           |                         |                         |
| <b>Security details:</b> The above loan is for purchase of car                                                                                                                   |                         |                         |
| <b>10) Indian Renewable Energy Development Agency Limited (Term Loan)</b>                                                                                                        | 6,104.88                | -                       |
| Less: Current maturities disclosed as short-term borrowings in note 25                                                                                                           | (169.60)                | -                       |
| <b>(J)</b>                                                                                                                                                                       | <b>5,935.28</b>         | <b>-</b>                |

**Rate of Interest:** 9.90% p.a

**Repayment:** 36 EMI Quarterly Payment Starting from FY 2027-28.

**Note:**

**Nature of borrowing and security details :**

- (a) One of the subsidiary Company i.e. PREPL has availed term loan facilities from Indian Renewable Energy Development Agency Limited (IREDA) for financing its Battery Energy Storage System (BESS) Project in Maharashtra, awarded by MSSEDCL i.e sanctioned limit of ₹ 12,215.00 million, outstanding balance as at March 31,2026 : ₹ 5,935.28 million (March 31, 2025 : Nil).
- (b) This loan is secured by a first-ranking charge over the project assets, project receivables and other security interests created in respect of the project of "PREPL". The facility is additionally supported by a corporate guarantee provided by Holding Company and personal guarantees provided by Mr. Venugopal Rao Maddisetty, Mrs. Padma Maddisetty and Mr. Rajiv Maddisetty. The guarantees are irrevocable and unconditional in nature.

|                                                                               |                 |               |
|-------------------------------------------------------------------------------|-----------------|---------------|
| <b>Total long term borrowings (A+B+C+D+E +F+G+H+I+J)</b>                      | <b>6,067.16</b> | <b>241.75</b> |
| <b>Total current maturities of long term borrowings</b>                       | <b>376.94</b>   | <b>206.14</b> |
| <b>Current maturities of long term borrowings from banks</b>                  | <b>49.16</b>    | <b>73.40</b>  |
| <b>Current maturities of long term borrowings from financial institutions</b> | <b>327.65</b>   | <b>132.74</b> |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 22 Non-current lease liabilities

| Particulars                       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------|-------------------------|-------------------------|
| Lease liabilities (refer note 41) | 198.20                  | 4.52                    |
| <b>Total</b>                      | <b>198.20</b>           | <b>4.52</b>             |

## 23 Other financial liabilities - non current

| Particulars   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------|-------------------------|-------------------------|
| Rent deposits | 5.03                    | 1.80                    |
| <b>Total</b>  | <b>5.03</b>             | <b>1.80</b>             |

## 24 Provisions

| Particulars                                        | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------|-------------------------|-------------------------|
| <b>Non current</b>                                 |                         |                         |
| Gratuity (refer note 46)                           | 57.00                   | 39.16                   |
| Compensated absences                               | 36.98                   | 23.50                   |
| Provision for warranty (refer note 24.1)           | 444.33                  | 587.17                  |
| <b>Total</b>                                       | <b>538.31</b>           | <b>649.83</b>           |
| <b>Current</b>                                     |                         |                         |
| Gratuity (refer note 46)                           | 7.13                    | 3.81                    |
| Compensated absences                               | 7.12                    | 3.76                    |
| Provision for warranty (refer note 24.1)           | 142.56                  | 66.76                   |
| Provision for liquidated damages (refer note 24.2) | 233.37                  | 216.57                  |
| <b>Total</b>                                       | <b>390.18</b>           | <b>290.90</b>           |

### 24.1 Movement in provision for warranty (current and non current):

| Particulars                                 | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Balance at the beginning of the year</b> | <b>653.93</b>           | <b>273.23</b>           |
| Recognised during the year                  | 38.05                   | 380.70                  |
| Utilised / (reversed) during the year       | (105.08)                | -                       |
| <b>Balance at the end of the year</b>       | <b>586.89</b>           | <b>653.93</b>           |
| <b>Non current</b>                          | <b>444.33</b>           | <b>587.17</b>           |
| <b>Current</b>                              | <b>142.56</b>           | <b>66.76</b>            |

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 24 Provisions (Cond..)

### 24.2 Movement in provision for liquidated damages:

| Particulars                                 | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Balance at the beginning of the year</b> | <b>216.57</b>           | -                       |
| Recognised during the year                  | 16.80                   | 216.57                  |
| Utilised during the year                    | -                       | -                       |
| Reversed during the year                    | -                       | -                       |
| <b>Balance at the end of the year</b>       | <b>233.37</b>           | <b>216.57</b>           |

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

## 25 Current financial liabilities - borrowing

| Particulars                                    | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------|-------------------------|-------------------------|
| <b>(A) Secured (carried at amortised cost)</b> |                         |                         |
| <b>From banks</b>                              |                         |                         |
| Working capital facilities from banks          | 2,232.73                | 749.72                  |
| Current maturities of long term borrowings     | 49.16                   | 73.40                   |
| <b>From financial institutions</b>             |                         |                         |
| Trade finance loan                             | 33.68                   | 201.69                  |
| Supplier financing arrangement                 | 851.54                  | -                       |
| Current maturities of long term borrowings     | 327.65                  | 132.74                  |
| <b>(B) Unsecured</b>                           |                         |                         |
| Loans from related parties (refer note 45)     | 45.36                   | 207.69                  |
| <b>Total</b>                                   | <b>3,540.12</b>         | <b>1,365.24</b>         |

### Notes:

#### i) Secured loans:-

##### Details of cash credit and working capital demand loan:

- The Holding Company and one of the subsidiary "Lineage Power Private Limited" has availed cash credit and working capital demand loan facilities from Canara Bank i.e sanction Limits of ₹ 1,000.00 million, outstanding balance as at March 31,2026 : ₹ 845.52 million,(March 31,2025 : ₹ 745.83 million). These facilities are secured by pari-passu charge against all Inventory and trade receivables,present and future of the Holding Company and one of the subsidiary "Lineage Power Private Limited" and are guranteed by director. The loan are repayable on demand and carry interest rate in the range of 9.70% to 11.75% p.a.
- The Group has availed working capital facilities from ICICI Bank and has sanction limit of ₹ 100.00 Million, outstanding balance as at March 31,2026 : ₹ 98.88 million, (March 31,2025 : ₹ 3.89 million). These facilities are secured against fixed deposit as margin money for the purpose of working capital requirements. The interest rate in the range of 9.70% p.a to 11.75% p.a.
- The Group has availed working capital facilities from IDBI Bank and has sanction limit of ₹ 500.00 Million, outstanding balance as at March 31,2026 : ₹ 493.63 million, (March 31,2025 : Nil). These facilities are secured against fixed deposit as margin money for the purpose of working capital requirements. The interest rate in the range of 8.95% p.a to 10.50% p.a.
- The Group has availed working capital facilities from RBL Bank and has sanction limit of ₹ 300.00 Million, outstanding balance as at March 31,2026 : ₹ 299.15 million, (March 31,2025 : Nil). These facilities are secured

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 25 Current financial liabilities - borrowing (Cond..)

against fixed deposit as margin money for the purpose of working capital requirements. The interest rate in the range of 8.95% p.a to 10.50% p.a.

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

### From financial institution

- (a) The Group has availed trade finance from Oxyzo Financial Services Private Limited and has sanctioned limit of ₹ 200.00 million outstanding balance as at March 31,2026 : ₹ 33.68 million, March 31,2025 : ₹ 201.69 million). These facilities are secured against bank guarantee for the purpose of trade finance and carry interest rate in the range of 13.25% to 14.00% p.a.
- (b) Certain suppliers are subject to supplier financing arrangements whereby the original obligation to the supplier is extinguished upon payment by a financing institution and replaced by an obligation to the financier, with a significantly extended repayment period and outstanding balance as at (March 31,2026: ₹ 851.54 million, March 31, 2025: Nil).

## ii) Unsecured loan

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

### Reconciliation between opening and closing liabilities arising from financing activities:

| Particulars                                   | As at March 31, 2026 |                   | As at March 31, 2025 |                   |
|-----------------------------------------------|----------------------|-------------------|----------------------|-------------------|
|                                               | Borrowings           | Lease liabilities | Borrowings           | Lease liabilities |
| <b>Balance at the beginning of the year</b>   | 1,606.99             | 8.44              | 4,931.87             | 4.69              |
| <b>Cash flows:</b>                            |                      |                   |                      |                   |
| Payment of lease liabilities                  | -                    | (3.89)            | -                    | (3.15)            |
| Interest expense paid on lease liabilities    | -                    | (0.83)            | -                    | (1.03)            |
| Proceeds of long term borrowings              | 6,104.88             | -                 | 218.10               | -                 |
| Repayment of long term borrowings             | (102.16)             | -                 | (482.06)             | -                 |
| Proceeds/(repayment) of short term borrowings | 1,971.16             | -                 | (3,060.92)           | -                 |
| Finance costs paid                            | (285.84)             | -                 | (1,150.48)           | -                 |
| <b>Non-cash changes:</b>                      |                      |                   |                      |                   |
| Finance costs                                 | 312.24               | -                 | 1,150.48             | -                 |
| New lease liabilities recognised              | -                    | 198.00            | -                    | 6.90              |
| Interest expense accrued during the year      | -                    | 0.83              | -                    | 1.03              |
| <b>Closing balance</b>                        | <b>9,607.27</b>      | <b>202.55</b>     | <b>1,606.99</b>      | <b>8.44</b>       |

## 26 Lease liabilities

| Particulars                       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------|-------------------------|-------------------------|
| Lease liabilities (refer note 41) | 4.35                    | 3.92                    |
| <b>Total</b>                      | <b>4.35</b>             | <b>3.92</b>             |



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 27.1 Trade payables

| (a) Particulars                                                                        | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Total outstanding dues of micro enterprises and small enterprises                      | 141.37                  | 138.98                  |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 17,777.89               | 10,011.27               |
| <b>Total</b>                                                                           | <b>17,919.26</b>        | <b>10,150.25</b>        |
| <b>Of the above trade payables amounts due to related parties are as below:</b>        |                         |                         |
| Trade payables due to related parties (refer note 45)                                  | 2,298.24                | 1,789.00                |

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

(b) Refer note 47 for information about credit risk and market risk of trade payables.

## (b) Trade payables ageing schedule

### As at March 31, 2026

| Particulars                                                                            | Unbilled        | Not due         | Outstanding for following periods from due dates of payment as at March 31, 2026 |                 |                |                      | Total            |
|----------------------------------------------------------------------------------------|-----------------|-----------------|----------------------------------------------------------------------------------|-----------------|----------------|----------------------|------------------|
|                                                                                        |                 |                 | Less than<br>1 Year                                                              | 1 - 2<br>Years  | 2 - 3<br>Years | More than<br>3 Years |                  |
| Total outstanding dues of micro enterprises and small enterprises                      | -               | 69.43           | 59.20                                                                            | 12.73           | 0.01           | -                    | 141.37           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 8,206.75        | 3,943.01        | 3,963.56                                                                         | 1,579.10        | 58.15          | 27.32                | 17,777.89        |
| Disputed dues of micro enterprises and small enterprises                               | -               | -               | -                                                                                | -               | -              | -                    | -                |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -               | -               | -                                                                                | -               | -              | -                    | -                |
| <b>Total</b>                                                                           | <b>8,206.75</b> | <b>4,012.44</b> | <b>4,022.76</b>                                                                  | <b>1,591.83</b> | <b>58.16</b>   | <b>27.32</b>         | <b>17,919.26</b> |

### As at March 31, 2025

| Particulars                                                                            | Unbilled        | Not due         | Outstanding for following periods from due dates of payment as at March 31, 2025 |                |                |                      | Total            |
|----------------------------------------------------------------------------------------|-----------------|-----------------|----------------------------------------------------------------------------------|----------------|----------------|----------------------|------------------|
|                                                                                        |                 |                 | Less than<br>1 Year                                                              | 1 - 2<br>Years | 2 - 3<br>Years | More than<br>3 Years |                  |
| Total outstanding dues of micro enterprises and small enterprises                      | -               | 105.14          | 33.65                                                                            | 0.19           | -              | -                    | 138.98           |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 3,406.28        | 3,659.61        | 2,771.35                                                                         | 131.17         | 26.84          | 16.02                | 10,011.27        |
| Disputed dues of micro enterprises and small enterprises                               | -               | -               | -                                                                                | -              | -              | -                    | -                |
| Disputed dues of creditors other than micro enterprises and small enterprises          | -               | -               | -                                                                                | -              | -              | -                    | -                |
| <b>Total</b>                                                                           | <b>3,406.28</b> | <b>3,764.75</b> | <b>2,805.00</b>                                                                  | <b>131.36</b>  | <b>26.84</b>   | <b>16.02</b>         | <b>10,150.25</b> |

### Note:

(a) The Holding Company engaged in business transactions with the related party, Pace Power Tanzania Limited, in a previous years for the import of goods or services. As a result, the Group has outstanding foreign currency payables amounting as at March 31, 2026 to ₹ 1.18 million and March 31, 2025 of ₹ 1.79 million. However, these

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 27.1 Trade payables (Contd..)

payables have remained unsettled for more than three years from the transaction date, as Pace Tanzania Limited does not have a bank account to which the Group can transfer the funds within the timeframe prescribed under the Foreign Exchange Management Act, 1999.

- (b) Lineage Power Private Limited ("Subsidiary") engaged in business transactions with the related party, Pace Power Tanzania Limited, in a previous year, for the import of goods or services. Consequently, the Company has outstanding foreign currency payables amounting as at March 31, 2026 to ₹ 2.95 million and March 31, 2025 to ₹ 3.28 million. However, these payables of ₹2.24 million have remained unsettled for more than three years from the transaction date, as Pace Power Tanzania Limited does not have a bank account to which the Company can transfer the funds within the timeframe specified under the Foreign Exchange Management Act, 1999.
- (c) Lineage Power Private Limited ("Subsidiary") has undertaken business transactions with foreign vendors during the year, resulting in foreign currency payables on account of import of goods and services. As at March 31, 2026, foreign currency payables amounting as at March 31, 2026 to ₹31.55 million and March 31, 2025 to ₹73.21 million have an ageing of more than 180 days, and ₹29.26 million have an ageing of more than one year. The Company is in the process of obtaining the necessary approvals from the relevant regulatory authorities in this regard.

In accordance with the Reserve Bank of India's (RBI) Master Direction on the Import of Goods and Services, prior approval from an AD Category-I Bank/RBI is required for an extension, except in cases where the foreign currency payable is settled within six months or within 12 months if the shipment date for imports was on or before July 31, 2020. The Company is subject to approval from the AD Category-I Bank/RBI to ensure compliance with the Foreign Exchange Management Act, 1999.

## 28 Other financial liabilities - current

| Particulars                         | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------------|-------------------------|-------------------------|
| <b>Carried at amortised cost</b>    |                         |                         |
| Retention money                     | 4.70                    | 10.93                   |
| Expenses payable related to Pre-IPO | -                       | 187.00                  |
| Security deposits                   | 464.20                  | 276.57                  |
| Provision for unspent CSR           | 4.77                    | 31.07                   |
| Government Grants (Refer note 44)   | 275.40                  | -                       |
| Employee related payables*          | 155.09                  | 100.74                  |
| Other expense payable               | 48.62                   | -                       |
| <b>Total</b>                        | <b>952.78</b>           | <b>606.32</b>           |

It includes balance payable to related party of ₹ 6.58 million as at March 31, 2026 (₹ 6.41 million as at March 31, 2025) and refer note 42.

Refer note 46 for information about liquidity risk and market risk of other financial liabilities.

## 29.2 Other current liabilities

| Particulars            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------|-------------------------|-------------------------|
| Statutory liabilities* | 172.25                  | 177.39                  |
| Contract liabilities   | 17.60                   | 16.75                   |
| Advance from customer  | 20.15                   | 11.64                   |
| <b>Total</b>           | <b>210.00</b>           | <b>205.78</b>           |

\*It includes amounts related to statutory dues such as Income Tax, Goods and Services Tax (GST), Employees State Insurance (ESI), and Provident Fund (PF) etc.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 29.3 Other non-current liabilities

| Particulars          | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------|-------------------------|-------------------------|
| Contract liabilities | 316.41                  | -                       |
| <b>Total</b>         | <b>316.41</b>           | <b>-</b>                |

## 30 Current tax liabilities (net)

| Particulars                                                                                                                           | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
| Provision for income tax (net of advance tax and TDS of ₹ 336.88 million at March 31, 2026 and ₹ 166.89 million as at March 31, 2025) | 478.05                  | 879.23                  |
| <b>Total</b>                                                                                                                          | <b>478.05</b>           | <b>879.23</b>           |

## 31 Revenue from operations

| A. Particulars                                               | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Sale of products and services</b>                         |                                         |                                         |
| Sale of products                                             | 11,044.19                               | 294.64                                  |
| Sale-engineering, procurement and construction project (EPC) | 14,579.83                               | 23,762.31                               |
| Sale of services                                             | 788.68                                  | 330.85                                  |
| <b>Total revenue from operations</b>                         | <b>26,412.70</b>                        | <b>24,387.80</b>                        |

### B. Disaggregation of revenue from contracts with customers :

The group undertakes telecom towers, transmission line towers survey, tower accessories, supply of materials, design, erection, testing and commissioning on a turnkey basis, development, operation and maintenance of EPC projects, generation of power from renewable energy sources i.e. solar, rooftop solar projects and related ancillary services and operating and maintaining solar power plants as an Independent Power Producer (IPP) and Captive Power Producer (CPP) and trading of goods and other related services. (Refer note 49).

### C. The following table provides information about revenue recognised over point in time and satisfied over time

| Particulars                                  | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|----------------------------------------------|-----------------------------------------|-----------------------------------------|
| Point in time                                | 10,434.35                               | 380.99                                  |
| Satisfied over time                          | 15,978.35                               | 24,006.81                               |
| <b>Revenue from contracts with customers</b> | <b>26,412.70</b>                        | <b>24,387.80</b>                        |

### D. Contract assets

| Particulars                    | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------|-------------------------|-------------------------|
| Opening balance                | -                       | -                       |
| Less: Bills raised             | -                       | -                       |
| Less: Reversed during the year | -                       | -                       |
| Addition during the year       | -                       | -                       |
| <b>Closing balance</b>         | <b>-</b>                | <b>-</b>                |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 31 Revenue from operations (Contd..)

### E. Contract liabilities

| Particulars                                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------------|-------------------------|-------------------------|
| Balance at beginning of the year                       | 16.75                   | 3.82                    |
| Add: Amount billed but not recognized as revenue       | 609.41                  | 12.93                   |
| Less: On account of revenue recognized during the year | (16.75)                 | -                       |
| <b>Balance at the end of the year</b>                  | <b>609.41</b>           | <b>16.75</b>            |

### F. Contract balances

The following table provides information about receivables, contract assets and contract liabilities from the contracts with customers.

| Particulars                                             | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------------------|-------------------------|-------------------------|
| -Receivables, which are included in 'trade receivables' | 24,421.69               | 12,709.81               |
| Contract assets (unbilled revenue)                      | -                       | -                       |
| Contract liabilities (unearned revenue)                 | 609.41                  | 16.75                   |

### G. Reconciliation of contract price

| Particulars                                       | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|---------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Revenue as per contracted price                   | 26,429.50                               | 24,604.37                               |
| <b>Adjustments for:</b>                           |                                         |                                         |
| Less: Liquidated damages                          | (16.80)                                 | (216.57)                                |
| <b>Total Revenue from contract with customers</b> | <b>26,412.70</b>                        | <b>24,387.80</b>                        |

## 32 Other income

| Particulars                                                            | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Interest income from financial assets carried at amortised cost</b> |                                         |                                         |
| Fixed deposits with banks                                              | 253.61                                  | 180.39                                  |
| Other interest income                                                  | 5.37                                    | 4.67                                    |
| Interest income on security deposits                                   | 1.10                                    | 2.18                                    |
| Interest income on lease receivables                                   | 36.83                                   | -                                       |
| <b>Other non-operating income</b>                                      |                                         |                                         |
| Rental income (refer note 5)                                           | 7.79                                    | 6.93                                    |
| Reversal of warranty expenses                                          | 105.08                                  | -                                       |
| Liabilities no longer required written back                            | 47.25                                   | 10.52                                   |
| Profit on sale of property, plant and equipment                        | 0.39                                    | 2.79                                    |
| <b>Other gains/ (losses)</b>                                           |                                         |                                         |
| Gain on foreign exchange fluctuation                                   | -                                       | 0.04                                    |
| Reversal of expected credit loss                                       | 3.66                                    | 25.38                                   |
| Miscellaneous income                                                   | 0.00                                    | 1.32                                    |
| <b>Total</b>                                                           | <b>461.08</b>                           | <b>234.22</b>                           |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 33 Cost of materials consumed

| Particulars                    | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------------------------|-----------------------------------------|-----------------------------------------|
| Opening stock                  | 1,100.68                                | 1,840.33                                |
| Add: Purchases during the year | 12,332.84                               | 6,440.92                                |
| Less: Closing stock            | (5,049.29)                              | (1,100.68)                              |
| <b>Total</b>                   | <b>8,384.23</b>                         | <b>7,180.57</b>                         |

## 33.2 Engineering, procurement and construction project expenses

| Particulars                                                | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Engineering, procurement and construction project expenses | 8,807.61                                | 9,156.38                                |
| <b>Total</b>                                               | <b>8,807.61</b>                         | <b>9,156.38</b>                         |

## 34 Purchases of stock-in-trade

| Particulars  | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------|-----------------------------------------|-----------------------------------------|
| Purchases    | 2,783.69                                | 47.15                                   |
| <b>Total</b> | <b>2,783.69</b>                         | <b>47.15</b>                            |

## 35 Changes in inventories

| Particulars                              | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|------------------------------------------|-----------------------------------------|-----------------------------------------|
| Inventories at the beginning of the year | 25.61                                   | 876.56                                  |
| Inventories at the end of the year       | 353.82                                  | 25.61                                   |
| <b>Total changes in inventories</b>      | <b>(328.21)</b>                         | <b>850.97</b>                           |

## 36 Employee benefits expenses

| Particulars                                                | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Salaries, wages and bonus                                  | 875.57                                  | 606.20                                  |
| Contributions to provident and other funds (refer note 46) | 40.98                                   | 28.14                                   |
| Gratuity expenses (refer note 46)                          | 16.26                                   | 11.64                                   |
| Staff welfare expenses                                     | 26.19                                   | 21.15                                   |
| <b>Total</b>                                               | <b>959.00</b>                           | <b>667.13</b>                           |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 37 Finance costs

| Particulars                                        | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|----------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Interest expenses on borrowing                     | 312.24                                  | 1,021.30                                |
| Interest on lease liabilities (refer note 41)      | 0.83                                    | 1.03                                    |
| Interest on payment of taxes                       | 115.28                                  | -                                       |
| Unwinding of interest on warranty provision        | 38.05                                   | -                                       |
| Unwinding of discount on security deposit received | 0.95                                    | 1.29                                    |
| Other borrowing costs*                             | 130.88                                  | 127.88                                  |
| <b>Total</b>                                       | <b>598.23</b>                           | <b>1,151.50</b>                         |

\* Primarily includes bank guarantee charges of ₹ 100.78 million (for previous year ₹ 101.22 million) and letter of credit charges of ₹ 29.57 million (for previous year ₹ 26.11 million) and other financial charges of ₹ 0.53 million (for previous year ₹ 0.54 million)

## 38 Depreciation and amortisation expense

| Particulars                                                  | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Depreciation on property, plant and equipment (refer note 3) | 99.09                                   | 39.78                                   |
| Depreciation on investment property (refer note 5)           | 0.86                                    | 0.92                                    |
| Depreciation on right to use assets (refer note 6)           | 4.34                                    | 3.78                                    |
| Amortisation on other intangible assets (refer note 8)       | 15.75                                   | 16.01                                   |
| <b>Total</b>                                                 | <b>120.04</b>                           | <b>60.49</b>                            |

## 39 Other expenses

| Particulars                              | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|------------------------------------------|-----------------------------------------|-----------------------------------------|
| Power and fuel                           | 53.19                                   | 28.62                                   |
| Bank charges                             | 33.04                                   | 22.54                                   |
| Rent expenses (refer note 41)            | 191.44                                  | 252.30                                  |
| Insurance expenses                       | 16.84                                   | 47.42                                   |
| Lab testing charges                      | 2.42                                    | 4.22                                    |
| Rates & taxes                            | 46.32                                   | 52.59                                   |
| Repairs & maintenance                    |                                         |                                         |
| Plant and equipment                      | 3.32                                    | 3.55                                    |
| Buildings                                | 5.58                                    | 6.50                                    |
| Others                                   | 29.45                                   | 17.85                                   |
| Communication expenses                   | 9.68                                    | 11.33                                   |
| Bad debts written off                    | 38.82                                   | 68.88                                   |
| Loss allowance for trade receivable      | 105.89                                  | -                                       |
| Travelling and conveyance expenses       | 131.31                                  | 165.60                                  |
| Printing & stationery                    | 5.01                                    | 4.61                                    |
| Advertisement and sales promotion        | 7.50                                    | 3.82                                    |
| Legal and professional expenses          | 180.03                                  | 213.11                                  |
| Warranty charges                         | -                                       | 380.70                                  |
| Security charges                         | 9.09                                    | 6.91                                    |
| Donation*                                | 0.07                                    | 50.11                                   |
| Auditor's remuneration and expenses      | 4.05                                    | 10.80                                   |
| Corporate social responsibility expenses | 49.78                                   | 23.90                                   |



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 39 Other expenses (Contd..)

| Particulars                                     | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Disposal of intangible assets under development | -                                       | 11.56                                   |
| Freight outward                                 | 66.60                                   | 91.95                                   |
| Consulting fees                                 | 0.50                                    | 0.48                                    |
| Net foreign exchange rate fluctuation losses    | 226.79                                  | 25.39                                   |
| Postage, courier & telephone expenses           | 10.64                                   | 6.82                                    |
| Balance written off                             | 0.73                                    | 119.76                                  |
| Miscellaneous expenses                          | 25.80                                   | 37.23                                   |
| <b>Total</b>                                    | <b>1,253.90</b>                         | <b>1,668.54</b>                         |

\*During previous year, the Holding Company's contribution of ₹ 50.00 million to political parties under Section 182 of the Companies Act, 2013.

## 40 Earnings per Share ("EPS")

The Group presents the basic and diluted EPS data for its equity shares

- Basic EPS** is computed by dividing the net profit for the year attributable to the equity shareholders of the Group by the weighted average number of equity shares outstanding during the year.
- Diluted EPS** is computed by adjusting the net profit for the year attributable to the equity shareholders and the weighted average number of equity shares considered for deriving basic EPS for the effects of all the equity shares that could have been issued upon conversion of all dilutive potential equity shares.

The following table sets forth the computation of basic and diluted earnings per share:

| Particulars                                                                                      | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|--------------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Profit after tax attributable to owners for computing Basic and Diluted EPS (A)                  | 2,975.68                                | 2,676.08                                |
| <b>Number of equity share at the beginning of the year</b>                                       | <b>17,84,42,280</b>                     | <b>50,00,000</b>                        |
| Add: Share issued during the year through private placement                                      | -                                       | 8,29,026                                |
| <b>Total no of shares before split (₹ 10 each)</b>                                               | <b>17,84,42,280</b>                     | <b>58,29,026</b>                        |
| Add: Stock split ratio 1:5                                                                       | -                                       | 2,91,45,130                             |
| Add: Share issued during the year through private placement                                      | -                                       | 5,95,250                                |
| Add: Bonus shares issued during the year                                                         | -                                       | 14,87,01,900                            |
| Add: Share issued during the year through Initial Public Offer (IPO)                             | 3,74,09,047                             | -                                       |
| <b>Number of equity share at the end of the year</b>                                             | <b>21,58,51,327</b>                     | <b>17,84,42,280</b>                     |
| Weighted average number of equity shares outstanding during the year for computing Basic EPS (B) | 19,68,90,577                            | 16,42,23,556                            |
| Dilutive effect on weighted average number of equity shares outstanding during the year          | -                                       | -                                       |
| Weighted average number of equity shares in calculating diluted EPS (C)                          | 19,68,90,577                            | 16,42,23,556                            |
| Face value of equity shares (₹)                                                                  | 2.00                                    | 2.00                                    |
| <b>Basic earnings per share (A / B) (₹)</b>                                                      | <b>15.11</b>                            | <b>16.30</b>                            |
| <b>Diluted earnings per share (A / C) (₹)</b>                                                    | <b>15.11</b>                            | <b>16.30</b>                            |

### Note:

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 40 Earnings per Share ("EPS") (Contd..)

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

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

## 41 Leases as lessee

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

### a) Amounts recognised in profit or loss

| Particulars                                                                           | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|---------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Interest expense on lease liabilities                                                 | 0.83                                    | 1.03                                    |
| Depreciation charge on right of use assets                                            | 4.34                                    | 3.78                                    |
| Expense relating to short term lease and lease of low value assets (refer note 39(A)) | 191.44                                  | 252.30                                  |
| <b>Total</b>                                                                          | <b>196.62</b>                           | <b>257.11</b>                           |

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

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

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

| Particulars                   | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------------------|-------------------------|-------------------------|
| Current lease liabilities     | 4.35                    | 3.92                    |
| Non-current lease liabilities | 198.20                  | 4.52                    |
| <b>Total</b>                  | <b>202.55</b>           | <b>8.44</b>             |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 41 Leases as lessee (Contd..)

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

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

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

### B. Group's as a Lessor

The Group has given a premises under cancellable operating lease arrangement. For gross carrying amount, accumulated depreciation and depreciation recognized in the statement of profit and loss in respect of such portion of the leased premises (Refer note 5). Lease income is recognised in the statement of profit and loss under "Other Income". Initial direct costs incurred, if any, to earn revenues from a lease are recognised as an expense in the statement of profit and loss in the period in which they are incurred.

## 42 Tax expenses

### A. Income tax expense recognised in statement of profit and loss

| Particulars                                                       | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Current tax                                                       | 1,125.18                                | 1,146.33                                |
| Taxes relating to earlier years                                   | 7.15                                    | 73.48                                   |
| Deferred tax charge/(credit): other than that disclosed under OCI | 90.32                                   | (171.54)                                |
| <b>Tax expenses for the year</b>                                  | <b>1,222.65</b>                         | <b>1,048.27</b>                         |

### B. Reconciliation of income tax expense

A reconciliation of income tax expense applicable to accounting profit / (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:

| Particulars                                                                                  | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|----------------------------------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Reconciliation of effective tax rate</b>                                                  |                                         |                                         |
| Accounting profit/(loss) before income tax (A)                                               | 4,295.29                                | 3,839.29                                |
| Enacted income tax rate (%)                                                                  | 25.17%                                  | 25.17%                                  |
| <b>Tax amount on enacted income tax rate in India</b>                                        | <b>1,081.12</b>                         | <b>966.35</b>                           |
| <b>Tax effect of :</b>                                                                       |                                         |                                         |
| Tax effect of amounts which are deductible (non-taxable) in calculating taxable income       | 137.56                                  | 9.51                                    |
| Tax effect of amounts chargeable at special rate                                             | (4.74)                                  | (0.52)                                  |
| Permanent Adjustments & Taxable revenue excluded from books due to dealer lessor accounting. | 1.56                                    | -                                       |
| Adjustments in respect of current income tax of previous year                                | 7.15                                    | 73.48                                   |
| others                                                                                       | -                                       | (0.55)                                  |
| <b>Income tax expenses recognised in the statement of profit and loss (B)</b>                | <b>1222.65</b>                          | <b>1,048.27</b>                         |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 42 Tax expenses (Contd..)

### C. Amount recognised in other comprehensive income

| Particulars                                                                                          | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|------------------------------------------------------------------------------------------------------|-----------------------------------|-----------------------------------|
| <b>Deferred tax</b>                                                                                  |                                   |                                   |
| Re-measurement of defined benefit obligation (Items that will not be reclassified to profit or loss) | (4.71)                            | 0.19                              |
| Tax on remeasurement of defined benefit plan charge/(credit)                                         | 1.18                              | (0.05)                            |
| <b>Tax expense for the year</b>                                                                      | <b>1.18</b>                       | <b>(0.05)</b>                     |

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

| Particulars                                                                                                                                                                                              | Opening balance As at April 01,2024 | Recognised / (reversed) through the statement of profit and loss | Recognised through OCI | Closing balance as at March 31,2025 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------|------------------------|-------------------------------------|
| <b>Deferred tax (liability) on:</b>                                                                                                                                                                      |                                     |                                                                  |                        |                                     |
| Property, plant and equipment and other intangible assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/ amortisation charged for financial reporting | (29.65)                             | 62.53                                                            | -                      | 32.88                               |
| Right of use assets and lease liability                                                                                                                                                                  | (0.03)                              | 0.00                                                             | -                      | (0.03)                              |
| Remeasurement of inventory valuation                                                                                                                                                                     | (3.54)                              | 3.54                                                             | -                      | -                                   |
| Interest income and expense on corporate guarantee                                                                                                                                                       | (31.10)                             | 31.06                                                            | -                      | (0.04)                              |
| Provision for warranty                                                                                                                                                                                   | (1.25)                              | 32.59                                                            | -                      | 31.34                               |
| Provision for liquidated damages                                                                                                                                                                         | -                                   | 54.51                                                            | -                      | 54.51                               |
| Others                                                                                                                                                                                                   | (13.37)                             | 13.37                                                            | -                      | 0.00                                |
| <b>Deferred tax asset on:</b>                                                                                                                                                                            |                                     |                                                                  |                        |                                     |
| Expected credit loss and reversal of revenue and related cost                                                                                                                                            | 116.78                              | (30.85)                                                          | -                      | 85.94                               |
| Security deposit (Ind AS)                                                                                                                                                                                | 0.06                                | -                                                                | -                      | 0.06                                |
| Provision for employee benefit                                                                                                                                                                           | 17.51                               | 4.80                                                             | (0.05)                 | 22.26                               |
| <b>Net deferred tax asset/(liability)</b>                                                                                                                                                                | <b>55.41</b>                        | <b>171.54</b>                                                    | <b>(0.05)</b>          | <b>226.92</b>                       |

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

| Particulars                                                                                                                                                                                              | Opening balance As at April 01,2025 | Recognised / (reversed) through the statement of profit and loss | Recognised through OCI | Closing balance as at March 31,2026 |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------|------------------------|-------------------------------------|
| <b>Deferred tax (liability) on:</b>                                                                                                                                                                      |                                     |                                                                  |                        |                                     |
| Property, plant and equipment and other intangible assets: Impact of difference between tax depreciation allowed under the Income Tax Act and depreciation/ amortisation charged for financial reporting | 32.88                               | (176.68)                                                         | -                      | (143.80)                            |
| Right of use assets and lease liability                                                                                                                                                                  | (0.03)                              | 5.95                                                             | -                      | 5.92                                |
| Finance lease receivables                                                                                                                                                                                | -                                   | (72.72)                                                          | -                      | (72.72)                             |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 42 Tax expenses (Contd..)

| Particulars                                                   | Opening balance As at April 01,2025 | Recognised / (reversed) through the statement of profit and loss | Recognised through OCI | Closing balance as at March 31,2026 |
|---------------------------------------------------------------|-------------------------------------|------------------------------------------------------------------|------------------------|-------------------------------------|
| Interest income and expense on corporate guarantee            | (0.04)                              | -                                                                | -                      | (0.04)                              |
| Provision for warranty                                        | 31.34                               | 0.00                                                             | -                      | 31.34                               |
| Provision for liquidated damages                              | 54.51                               | 4.23                                                             | -                      | 58.74                               |
| <b>Deferred tax asset on:</b>                                 |                                     |                                                                  |                        |                                     |
| Expected credit loss and reversal of revenue and related cost | 85.94                               | 25.73                                                            | -                      | 111.67                              |
| Security deposit (Ind AS)                                     | 0.06                                | -                                                                | -                      | 0.06                                |
| Provision for employee benefit                                | 22.26                               | 10.58                                                            | 1.18                   | 34.02                               |
| Business losses carry forward                                 | -                                   | 113.47                                                           | -                      | 113.47                              |
| <b>Net deferred tax asset/(liability)</b>                     | <b>226.92</b>                       | <b>(90.32)</b>                                                   | <b>1.18</b>            | <b>138.51</b>                       |

## 43 Lease receivable

One of the Subsidiary Company "PREPL" has delivered certain project sites to its customer i.e. "Maharashtra State Electricity Distribution Company Limited" (MSEDCL) along with operations and maintenance of the same. This is accounted as finance lease as the material risks and rewards are transferred to the lessee

The average effective interest rate considered approximates 9.75% p.a.

The following amounts are recognised in the statement of profit and loss :

| Particulars                         | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|-------------------------------------|-----------------------------------|-----------------------------------|
| Revenue from sale of products       | 5,578.30                          | -                                 |
| <b>Total revenue from operation</b> | <b>5,578.30</b>                   | <b>-</b>                          |

| Particulars                             | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|-----------------------------------------|-----------------------------------|-----------------------------------|
| Interest income on finance lease        | 36.83                             | -                                 |
| <b>Interest income on finance lease</b> | <b>36.83</b>                      | <b>-</b>                          |

The following amounts are included in the balance sheet :

| Particulars                           | As at March 31, 2026 | As at March 31, 2025 |
|---------------------------------------|----------------------|----------------------|
| Current finance lease receivables     | 253.42               | -                    |
| Non-current finance lease receivables | 5,315.04             | -                    |
| <b>Total lease receivables</b>        | <b>5,568.46</b>      | <b>-</b>             |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 43 Lease receivable (Contd..)

The table below provides details regarding the undiscounted contractual maturities of finance lease receivables:

| Particulars                         | As at March 31, 2026        |                             |                                                |                                 |                             |
|-------------------------------------|-----------------------------|-----------------------------|------------------------------------------------|---------------------------------|-----------------------------|
|                                     | Due in 1 <sup>st</sup> year | Due in 2 <sup>nd</sup> year | Due in 3 <sup>rd</sup> to 5 <sup>th</sup> year | Due beyond 5 <sup>th</sup> year | Total contractual cash flow |
| Total undiscounted lease receivable | 606.72                      | 606.72                      | 1,820.17                                       | 4,430.88                        | 7,464.50                    |
| Unearned finance income             | 414.78                      | 395.21                      | 916.30                                         | 1,108.71                        | 2,835.00                    |
| <b>Net Investment in the lease</b>  | <b>191.94</b>               | <b>211.52</b>               | <b>903.87</b>                                  | <b>3,322.17</b>                 | <b>4,629.49</b>             |

The table below provides details regarding the undiscounted contractual maturities of finance lease receivables:

| Particulars                         | As at March 31, 2025        |                             |                                                |                                 |                             |
|-------------------------------------|-----------------------------|-----------------------------|------------------------------------------------|---------------------------------|-----------------------------|
|                                     | Due in 1 <sup>st</sup> year | Due in 2 <sup>nd</sup> year | Due in 3 <sup>rd</sup> to 5 <sup>th</sup> year | Due beyond 5 <sup>th</sup> year | Total contractual cash flow |
| Total undiscounted lease receivable | -                           | -                           | -                                              | -                               | -                           |
| Unearned finance income             | -                           | -                           | -                                              | -                               | -                           |
| <b>Net Investment in the lease</b>  | <b>-</b>                    | <b>-</b>                    | <b>-</b>                                       | <b>-</b>                        | <b>-</b>                    |

\*Finance lease receivable outstanding as on March 31, 2026 is from MSDDL, which is considered recoverable.

## 44 Government grant

The Group has received Viability Gap Funding (VGF) from the Government towards the development of BESS project sites. To the extent the related performance obligations have been satisfied, the corresponding VGF has been recognised in accordance with applicable accounting standards. The unearned portion of VGF relating to unsatisfied performance obligations as at the reporting date is presented as a contract liability.

The table below gives information about movement in Government grant:

### Movement of government grants :

| Particulars                                         | As at March 31, 2026 | As at March 31, 2025 |
|-----------------------------------------------------|----------------------|----------------------|
| <b>Opening balance</b>                              | -                    | -                    |
| Add: Government grant accrued during the year       | 405.00               | -                    |
| Less: Income recognised and accrued during the year | 129.60               | -                    |
| <b>Closing balance of liability</b>                 | <b>275.40</b>        | <b>-</b>             |



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 45 Related party disclosures:

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", notified under section 133 of the Companies Act 2013 (the Act) read with Companies (Indian Accounting Standards) Rules 2015 (as amended from time to time)}, are disclosed below:

### A. Names of related parties and description of relationship:

#### Related parties where control exists:

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

#### Key management personnel (KMP):

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

#### Relatives of key management personnel

| Entity Name             | Relationship                |
|-------------------------|-----------------------------|
| Mudduluru Dheeraj Varma | Brother of Maddisetty Padma |
| Rohitha Mudduluru       | Spouse of Rajiv Maddisetty  |

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

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 45 Related party disclosures: (Contd..)

- B. The following table summarises related-party transactions and balances for the year ended March 31, 2026 and March 31, 2025 .

### Transactions with the related parties for the year ended

| Particulars                                                       | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Sale of products/Services</b>                                  |                                         |                                         |
| Lanarsy Infra Limited                                             | -                                       | 17.04                                   |
| Pace Power Africa Limited                                         | 1.08                                    | -                                       |
| <b>Total</b>                                                      | <b>1.08</b>                             | <b>17.04</b>                            |
| <b>Engineering, procurement and construction project expenses</b> |                                         |                                         |
| Lanarsy Infra Limited                                             | 1,148.91                                | 1,355.84                                |
| Ogno Digital Infrastructure Private Limited                       | -                                       | -                                       |
| <b>Total</b>                                                      | <b>1,148.91</b>                         | <b>1,355.84</b>                         |
| <b>Borrowings taken</b>                                           |                                         |                                         |
| Pace Power Systems                                                | -                                       | 47.00                                   |
| <b>Total</b>                                                      | <b>-</b>                                | <b>47.00</b>                            |
| <b>Repayment of borrowings</b>                                    |                                         |                                         |
| Venugopalrao Maddisetty                                           | 91.39                                   | 19.53                                   |
| Maddisetty Padma                                                  | 79.72                                   | 14.78                                   |
| Pace Power Systems                                                | -                                       | 146.77                                  |
| <b>Total</b>                                                      | <b>171.11</b>                           | <b>181.08</b>                           |
| <b>Interest expenses</b>                                          |                                         |                                         |
| Maddisetty Padma                                                  | 6.48                                    | 9.79                                    |
| Pace Power Systems                                                | -                                       | 7.38                                    |
| Venugopalrao Maddisetty                                           | 2.30                                    | 12.05                                   |
| <b>Total</b>                                                      | <b>8.78</b>                             | <b>29.22</b>                            |
| <b>Rent expenses</b>                                              |                                         |                                         |
| Pace Power Systems                                                | 35.79                                   | 34.99                                   |
| <b>Total</b>                                                      | <b>35.79</b>                            | <b>34.99</b>                            |
| <b>Reimbursement of expenses</b>                                  |                                         |                                         |
| Lanarsy Infra Limited                                             | 3.37                                    | 11.96                                   |
| <b>Total</b>                                                      | <b>3.37</b>                             | <b>11.96</b>                            |
| <b>Rent deposit received</b>                                      |                                         |                                         |
| Pace Power Systems                                                | -                                       | 19.70                                   |
| <b>Total</b>                                                      | <b>-</b>                                | <b>19.70</b>                            |
| <b>Other expenses</b>                                             |                                         |                                         |
| Pace Power Africa Limited                                         | -                                       | 9.08                                    |
| Pace Power System                                                 | -                                       | 119.76                                  |
| <b>Total</b>                                                      | <b>-</b>                                | <b>128.84</b>                           |
| <b>Advance salary</b>                                             |                                         |                                         |
| Rajiv Maddisetty                                                  | 2.47                                    | 1.00                                    |
| <b>Total</b>                                                      | <b>2.47</b>                             | <b>1.00</b>                             |
| <b>Payments made on behalf of</b>                                 |                                         |                                         |
| Pace Power Systems                                                | 3.59                                    | 12.63                                   |
| <b>Total</b>                                                      | <b>3.59</b>                             | <b>12.63</b>                            |
| <b>Equity shares issued during the year</b>                       |                                         |                                         |
| Mudduluru Dheeraj Varma                                           | -                                       | 1.00                                    |
| <b>Total</b>                                                      | <b>-</b>                                | <b>1.00</b>                             |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 45 Related party disclosures: (Contd..)

| Particulars                                           | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| <b>Sitting fee paid to independent directors</b>      |                                         |                                         |
| Om Prakash Mishra                                     | 2.80                                    | 0.20                                    |
| Prabhakar Reddy Patil                                 | 2.84                                    | 0.10                                    |
| Satishchandra B Ogale                                 | 3.44                                    | 0.20                                    |
| <b>Total</b>                                          | <b>9.08</b>                             | <b>0.50</b>                             |
| <b>Compensation paid to key management personnel:</b> |                                         |                                         |
| <b>Short term employee benefits</b>                   |                                         |                                         |
| Venugopalrao Maddisetty                               | 31.47                                   | 31.47                                   |
| Maddisetty Padma                                      | 20.33                                   | 20.33                                   |
| Rajiv Maddisetty                                      | 10.92                                   | 10.92                                   |
| Pandidurai Rajavendhan                                | 7.79                                    | 6.20                                    |
| Meghana Manchaiah Purushotham                         | 1.95                                    | 0.96                                    |
| Rohitha Mudduluru                                     | 6.70                                    | -                                       |
| <b>Total</b>                                          | <b>79.16</b>                            | <b>69.88</b>                            |
| <b>Post employee benefits</b>                         |                                         |                                         |
| Venugopalrao Maddisetty                               | 10.60                                   | 8.60                                    |
| Maddisetty Padma                                      | 0.12                                    | 0.12                                    |
| Rajiv Maddisetty                                      | 0.78                                    | 0.18                                    |
| Pandidurai Rajavendhan                                | 0.18                                    | 0.20                                    |
| Rohitha Mudduluru                                     | 6.70                                    | 6.30                                    |
| Meghana Manchaiah Purushotham                         | 0.02                                    | 0.02                                    |
| <b>Total</b>                                          | <b>18.40</b>                            | <b>15.42</b>                            |

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

| Particulars                                  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------|-------------------------|-------------------------|
| <b>Trade receivables</b>                     |                         |                         |
| Lanarsy Infra Limited                        | 18.77                   | 14.79                   |
| Pace Power Systems                           | 3.15                    | -                       |
| Pace Power Africa Limited                    | 1.10                    | -                       |
| <b>Total</b>                                 | <b>23.02</b>            | <b>14.79</b>            |
| <b>Trade payables</b>                        |                         |                         |
| Pace Power Systems                           | 41.63                   | 35.55                   |
| Lanarsy Infra Limited                        | 2,250.54                | 1,746.43                |
| Pace Infra                                   | 1.95                    | 1.95                    |
| Pace Power Tanzania Limited                  | 4.12                    | 5.07                    |
| <b>Total</b>                                 | <b>2,298.24</b>         | <b>1,789.00</b>         |
| <b>Borrowings</b>                            |                         |                         |
| Venugopalrao Maddisetty                      | 22.94                   | 112.03                  |
| Maddisetty Padma                             | 22.42                   | 95.66                   |
| Pace Power Systems                           | -                       | -                       |
| <b>Total</b>                                 | <b>45.36</b>            | <b>207.69</b>           |
| <b>Other current assets</b>                  |                         |                         |
| <b>Advance to supplier</b>                   |                         |                         |
| Qogno Digital Infrastructure Private Limited | 121.81                  | 121.81                  |
| <b>Total</b>                                 | <b>121.81</b>           | <b>121.81</b>           |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 45 Related party disclosures: (Contd..)

| Particulars                                          | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------|-------------------------|-------------------------|
| <b>Advance salary</b>                                |                         |                         |
| Rajiv Maddisetty                                     | 3.47                    | 1.00                    |
| <b>Total</b>                                         | <b>3.47</b>             | <b>1.00</b>             |
| <b>Security deposit related to rent</b>              |                         |                         |
| Pace Power Systems                                   | 21.26                   | 21.26                   |
| <b>Total</b>                                         | <b>21.26</b>            | <b>21.26</b>            |
| <b>Remuneration payable to key managerial person</b> |                         |                         |
| Venugopalrao Maddisetty                              | 2.62                    | 2.62                    |
| Pandidurai Rajavendhan                               | 0.57                    | 0.95                    |
| Meghana Manchaiah Purushotham                        | 0.17                    | 0.24                    |
| Maddisetty Padma                                     | 1.69                    | 1.69                    |
| Rajiv Maddisetty                                     | 0.91                    | 0.91                    |
| Rohitha Mudduluru                                    | 0.62                    | -                       |
| <b>Total</b>                                         | <b>6.58</b>             | <b>6.41</b>             |

### Note:

- Related parties and their relationships are as identified by the management and relied upon by the auditors. All transactions are conducted in the ordinary course of business and at arm's length.
- No termination benefits or share-based payment arrangements existed during the year March 31, 2026 and March 31, 2025 and accordingly no related expense, liability, or reserve has been recognised.

## 46 Employee benefits

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

### Defined Contribution Plans:

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

**Provident Fund Plan & Employee Pension Scheme:** The Group makes monthly contributions at prescribed rates towards Employee Provident Fund administered and managed by Ministry of Labour & Employment, Government of India.

**Employee State Insurance:** The Group makes prescribed monthly contributions towards Employees State Insurance Scheme and payment made to Employee State Insurance Corporation, Ministry of Labour & Employment, Government of India.

For Lineage Power Private Limited ("Subsidiary"), during the previous year, the defined benefit plan for gratuity is administered by gratuity trusts which are legally separate from the entities. The trustees of the gratuity trusts are required to act in the best interests of the members and/or their beneficiaries in accordance with the provisions of trust deeds.

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

| Particulars                                       | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|---------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Group's contribution to provident fund            | 37.85                                   | 25.23                                   |
| Group's contribution to employees state insurance | 3.04                                    | 2.88                                    |
| Group's contribution to labour welfare fund       | 0.09                                    | 0.03                                    |
| <b>Total</b>                                      | <b>40.98</b>                            | <b>28.14</b>                            |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 46 Employee benefits (Contd..)

### Defined Benefit Plan- Gratuity

#### The Group has the following defined benefit obligations:

**Gratuity:** In accordance with the applicable laws, the Group provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The gratuity plan provides for a lump sum payment to vested employees on retirement, death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the gratuity plan are determined by actuarial valuation on the reporting date.

The following tables summaries the components of net benefits expense recognised in the consolidated statement of profit and loss (including other comprehensive income) and the amount recognised in the consolidated statement of assets and liabilities for the defined benefit plan.

#### i) Reconciliation of net defined benefit obligation

The following table shows a reconciliation from the opening balances to the closing balances for the net defined benefit (asset) liability and its components.

| Defined benefit obligation                  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------------------------|-------------------------|-------------------------|
| <b>Balance at the beginning of the year</b> | <b>42.80</b>            | <b>36.55</b>            |
| Current service cost                        | 13.31                   | 9.44                    |
| Interest cost                               | 2.95                    | 2.21                    |
| Benefit pay-outs from plan                  | 0.19                    | (1.18)                  |
| Benefit payments from employer              | -                       | (4.02)                  |
| Actuarial loss / (gain) arising from:       |                         |                         |
| - demographic assumptions                   | (0.26)                  | -                       |
| - financial assumptions                     | (1.56)                  | 1.48                    |
| - experience adjustment                     | 6.52                    | (1.67)                  |
| <b>Balance at the end of the year</b>       | <b>63.96</b>            | <b>42.80</b>            |

#### ii) Reconciliation of the net defined benefit liability / (asset)

| Defined benefit obligation                         | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------------------|-------------------------|-------------------------|
| Fair value of plan assets at end of prior year     | (0.17)                  | (0.17)                  |
| Employer contribution                              | -                       | -                       |
| Expected interest income of assets                 | 0.00                    | 0.00                    |
| Benefits pay-outs from plan                        | -                       | -                       |
| Actuarial gain/(loss)                              | (0.00)                  | 0.00                    |
| <b>Fair value of assets at the end of the year</b> | <b>(0.17)</b>           | <b>(0.17)</b>           |
| <b>Net defined benefit liability / (asset)</b>     | <b>64.13</b>            | <b>42.97</b>            |

#### iii) Amounts recognised in the statement of profit and loss

| Particulars                                                   | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|---------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Current service cost                                          | 13.31                                   | 9.44                                    |
| Interest expense on DBO                                       | 2.95                                    | 2.21                                    |
| Interest (income on plan asset)                               | -                                       | (0.00)                                  |
| <b>Expenses recognised in the statement of profit or loss</b> | <b>16.26</b>                            | <b>11.64</b>                            |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 46 Employee benefits (Contd..)

### iv) Amounts recognised in the other comprehensive income

| Particulars                                                           | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|-----------------------------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Remeasurement loss (gain):                                            |                                         |                                         |
| - Actuarial loss (gain) arising from:                                 |                                         |                                         |
| - demographic assumptions                                             | (0.26)                                  | -                                       |
| - financial assumptions                                               | (1.56)                                  | 1.48                                    |
| - experience adjustment                                               | 6.52                                    | (1.67)                                  |
| Return on plan asset (more)/less than expected based on discount rate | 0.00                                    | 0.00                                    |
|                                                                       | <b>4.71</b>                             | <b>(0.19)</b>                           |

### v) Amounts recognised in the statement of profit and loss

| Particulars                                        | For the<br>year ended<br>March 31, 2026 | For the<br>year ended<br>March 31, 2025 |
|----------------------------------------------------|-----------------------------------------|-----------------------------------------|
| Cost recognised in profit and loss                 | 16.26                                   | 11.64                                   |
| Remeasurement effect recognised in OCI (gain)/loss | 4.71                                    | (0.19)                                  |
| <b>Net Expense</b>                                 | <b>11.55</b>                            | <b>11.83</b>                            |

### vi) Bifurcation of present value of obligation at the end of the year

| Particulars            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------|-------------------------|-------------------------|
| Current liability      | 7.13                    | 3.81                    |
| Non current liability  | 57.00                   | 39.16                   |
| <b>Total liability</b> | <b>64.13</b>            | <b>42.97</b>            |

### vii) Sensitivity analysis\*

The following were the principal actuarial assumptions at the reporting date

| Particulars       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-------------------|-------------------------|-------------------------|
| Discount rate     | 7.22%                   | 6.89%                   |
| Salary escalation | 7.00%                   | 7.00%                   |
| Attrition rate    | 20.00%                  | 10.00%                  |
| Mortality rate    | NA                      | NA                      |

\*Sensitivity analysis disclosure involves reporting how changes in key variables affect a holding company's financial performance. It enhances transparency and risk assessment.



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 46 Employee benefits (Contd..)

### viii) Maturity profile of defined benefit obligation

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

#### Note:

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

The gratuity has been provided in respect of the entity which are incorporated in india and having applicability of the Gratuity Act,1972.

## 47. Disclosure on financial instruments

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

The details of material accounting policies, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, in respect of each class of financial asset, financial liability and equity instrument are disclosed in the consolidated financial statements.

### A. Accounting classification, fair values measurements and fair value hierarchy

#### Details of financial assets and financial liabilities :

| Particulars                                                    | As at March 31, 2026 |                  | As at March 31, 2025 |                  |
|----------------------------------------------------------------|----------------------|------------------|----------------------|------------------|
|                                                                | Carrying values      | Fair values      | Carrying values      | Fair values      |
| <b>Details of financial assets and financial liabilities :</b> |                      |                  |                      |                  |
| <b>A. Financial assets measured at amortised cost</b>          |                      |                  |                      |                  |
| Trade receivables                                              | 24,421.69            | 24,421.69        | 15,655.86            | 15,655.86        |
| Cash & cash equivalents                                        | 2,699.72             | 2,699.72         | 783.54               | 783.54           |
| Bank balances other than cash and cash equivalents             | 4,991.27             | 4,991.27         | 1,380.49             | 1,380.49         |
| Finance lease receivables                                      | 5,568.46             | 5,568.46         | -                    | -                |
| Other financial assets                                         | 3,336.58             | 3,336.58         | 3,803.66             | 3,803.66         |
| <b>Total</b>                                                   | <b>41,017.72</b>     | <b>41,017.72</b> | <b>21,623.55</b>     | <b>21,623.55</b> |
| <b>B. Financial liabilities measured at amortised cost</b>     |                      |                  |                      |                  |
| Borrowings                                                     | 9,607.28             | 9,607.28         | 1,606.99             | 1,606.99         |
| Lease liabilities                                              | 202.55               | 202.55           | 8.44                 | 8.44             |
| Trade payables                                                 | 17,919.26            | 17,919.26        | 10,150.25            | 10,150.25        |
| Other financial liabilities                                    | 957.80               | 957.80           | 608.12               | 608.12           |
| <b>Total</b>                                                   | <b>28,686.89</b>     | <b>28,686.89</b> | <b>12,373.80</b>     | <b>12,373.80</b> |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 47. Disclosure on financial instruments (Contd..)

The management has assessed that trade receivables, cash and cash equivalents, other bank balances, finance lease receivables, other financial assets, borrowings, trade payables, lease liabilities and other financial liabilities approximate their carrying amounts largely due to the short term maturities of these instruments and are valued at level 3.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate the fair value.

- (i) The fair values of the group's interest-bearing borrowings are determined by using effective interest rate (EIR) method using discount rate that reflects the issuer's borrowing rate as at the end of the reporting period. The own non-performance risk as at March 31, 2026 and March 31, 2025 was assessed to be insignificant.
- (ii) Long-term receivables/payables are evaluated by the group's based on parameters such as interest rates, risk factors, individual creditworthiness of the counterparty and the risk characteristics of the financed project. Based on this evaluation, allowances are taken into account for the expected credit losses of these receivables.

### Fair value hierarchy

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

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

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

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

## 47 Financial instrument- financial risk management objectives and policies

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

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

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

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

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

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 47 Financial instrument- financial risk management objectives and policies (Contd..)

### 1) Credit risk

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

#### a) Trade receivables

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

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

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

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

#### b) Provision for expected credit losses

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

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

Provision matrix (% , amounts) of ECL for trade receivables (other than specific credit losses separately recognised) is as under:

#### Reconciliation of expected credit loss provision

Trade receivables:

| Particulars                                      | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|--------------------------------------------------|-------------------------|-------------------------|
| Balance at beginning of the year                 | 340.20                  | 365.59                  |
| Additional provisions recognised during the year | 105.89                  | -                       |
| Provision reversed/utilised during the year      | (3.66)                  | (25.38)                 |
| <b>Balance at the end of the year</b>            | <b>442.41</b>           | <b>340.20</b>           |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 47 Financial instrument- financial risk management objectives and policies (Contd..)

**Expected credit loss under simplified approach for trade receivables:**

| Particulars                            | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|----------------------------------------|-------------------------|-------------------------|
| <b>Ageing of gross carrying amount</b> |                         |                         |
| Unbilled revenue                       | 10,796.21               | 4,444.38                |
| Not due                                | 4,790.32                | 4,487.00                |
| less than 180 days                     | 3,520.70                | 3,546.63                |
| 181-365 days                           | 1,874.60                | 2,077.66                |
| More than 1 year                       | 3,882.27                | 1,440.40                |
| <b>Gross carrying amount</b>           | <b>24,864.10</b>        | <b>15,996.07</b>        |
| Expected credit loss                   | 442.41                  | 340.20                  |
| <b>Net carrying amount</b>             | <b>24,421.69</b>        | <b>15,655.87</b>        |

### (ii) Financial instruments and cash deposits :

The credit risk for cash deposits with banks and cash and cash equivalents is considered negligible, since the counterparties are reputable banks with high quality external credit ratings. Also, no impairment loss has been recorded in respect of fixed deposits that are with recognized commercial banks and are not past due. The carrying amounts disclosed above are the group's maximum possible credit risk exposure in relation to these deposits.

Other financial assets being security deposits and others are also due from several counter parties and based on historical information about defaults from the counter parties, management considers the quality of such assets that are not past due to be good.

Impairment on cash and cash equivalents, deposits and other financial instruments has been measured on the 12-month expected credit loss basis and reflects the short maturities of the exposures. The group considers that its cash and cash equivalents have low credit risk based on external credit ratings of counterparties.

Based on the assessment there is no impairment in the above financial assets other than already provided in the consolidated financial statement.

## 2) Liquidity risk

Liquidity risk is the risk that the group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial assets. For the group, liquidity risk arises from obligations on account of financial liabilities – lease liabilities, trade payables and other financial liabilities.

The group continues to maintain adequate amount of liquidity to meet strategic and growth objectives. The group's finance department is responsible for liquidity and fund management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the group's liquidity position through forecasts on the basis of expected cash flows.

### Maturity profile of financial liabilities

The table below summarises the maturity profile of the group financial liabilities are as under:

| Particulars                 | Carrying amount | Less than 1 year | 1-5 years | 'More than 5 years | Total     |
|-----------------------------|-----------------|------------------|-----------|--------------------|-----------|
| <b>As at March 31, 2026</b> |                 |                  |           |                    |           |
| Borrowings                  | 9,607.28        | 3,547.11         | 6,079.54  | 0.39               | 9,627.04  |
| Lease liabilities           | 202.55          | 77.96            | 213.19    | -                  | 291.15    |
| Trade payables              | 17,919.26       | 17,919.26        | -         | -                  | 17,919.26 |
| Other financial liabilities | 957.80          | 952.78           | 5.03      | -                  | 957.80    |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 47 Financial instrument- financial risk management objectives and policies (Contd..)

| Particulars                 | Carrying amount | Less than 1 year | 1-5 years | 'More than 5 years | Total     |
|-----------------------------|-----------------|------------------|-----------|--------------------|-----------|
| <b>As at March 31, 2025</b> |                 |                  |           |                    |           |
| Borrowings                  | 1,606.99        | 1,365.24         | 241.75    | -                  | 1,606.99  |
| Lease liabilities           | 8.44            | 4.72             | 4.83      | -                  | 9.55      |
| Trade payables              | 10,150.25       | 10,150.25        | -         | -                  | 10,150.25 |
| Other financial liabilities | 608.12          | 606.32           | 1.80      | -                  | 608.12    |

### Maturity profile of financial assets

The table below provides details regarding the undiscounted contractual maturities of finance lease receivables:

| Particulars                          | Carrying amount | Less than 1 year | 1-5 years     | 'More than 5 years | Total           |
|--------------------------------------|-----------------|------------------|---------------|--------------------|-----------------|
| <b>As at March 31, 2026</b>          |                 |                  |               |                    |                 |
| Total undiscounted lease receivables | 606.72          | 606.72           | 1,820.17      | 4,430.88           | 7,464.49        |
| Unearned finance income              | 414.78          | 395.21           | 916.30        | 1,108.71           | 2,835.00        |
| <b>Net Investment in lease</b>       | <b>191.94</b>   | <b>211.52</b>    | <b>903.87</b> | <b>3,322.17</b>    | <b>4,629.49</b> |
| <b>As at March 31, 2025</b>          |                 |                  |               |                    |                 |
| Total undiscounted lease receivables | -               | -                | -             | -                  | -               |
| Unearned finance income              | -               | -                | -             | -                  | -               |
| Net Investment in lease              | -               | -                | -             | -                  | -               |

Finance lease receivable outstanding as on March 31, 2026 is from Maharashtra State Electricity Distribution Company Limited, which is considered recoverable and not credit impaired.

The following amounts are recognised in the statement of profit and loss :

| Particulars                                            | For the year ended March 31, 2026 | For the year ended March 31, 2025 |
|--------------------------------------------------------|-----------------------------------|-----------------------------------|
| Revenue from finance leases (refer note 32)            | 5,578.30                          | -                                 |
| Finance income on the net investment in finance leases | 36.83                             | -                                 |

The following amounts are included in the balance sheet :

| Particulars                                          | As at March 31, 2026 | As at March 31, 2025 |
|------------------------------------------------------|----------------------|----------------------|
| Current finance lease receivable (refer note 9)      | 253.42               | -                    |
| Non-current finance lease receivables (refer note 9) | 5,315.04             | -                    |
| <b>Total lease receivables</b>                       | <b>5,568.47</b>      | <b>-</b>             |

## 3) Market risk

Market risk is the risk that changes in the market prices such as foreign currency risk, interest risk, equity price and commodity prices. The market risk will affect the group's income or value of its holding of financial instruments. The objective of the market risk management is to manage and control market risk exposure within acceptable parameters, while optimizing the returns.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 47 Financial instrument- financial risk management objectives and policies (Contd..)

### (a) Commodity price risks

Fluctuation in commodity price in market affects directly or indirectly the price of raw material and components used by the Group. The Group is a regular negotiation / adjustment of sale prices on the basis of changes in commodity prices. The Group is not significantly impacted by commodity price risk.

### (b) Interest rate risk

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

| Particulars                       | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|-----------------------------------|-------------------------|-------------------------|
| Floating interest rate borrowings | 245.04                  | 982.04                  |
| Fixed rate borrowings             | 67.20                   | 39.26                   |
| <b>Total</b>                      | <b>312.24</b>           | <b>1,021.30</b>         |

### (c) Interest rate sensitivity

The following table demonstrates the sensitivity to a reasonably possible change in interest rates on that portion of loans and borrowings. With all other variables held constant, the Group's profit before tax is affected through the impact on floating rate borrowings, as follows:

| Particulars                | Impact on profit before tax equity |                         |
|----------------------------|------------------------------------|-------------------------|
|                            | As at<br>March 31, 2026            | As at<br>March 31, 2025 |
| Increase by 50 basis point | (1.23)                             | (4.91)                  |
| Decrease by 50 basis point | 1.23                               | 4.91                    |

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

### (d) Foreign currency risk

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

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

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

| Change in assumption      | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|---------------------------|-------------------------|-------------------------|
| (a) Financial liabilities | 991.01                  | 55.19                   |



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 47 Financial instrument- financial risk management objectives and policies (Contd..)

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

| Change in assumption                      | As at March 31, 2026                                         |                                                                   | As at March 31, 2025                                         |                                                                   |
|-------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------|--------------------------------------------------------------|-------------------------------------------------------------------|
|                                           | Impact on group's net income before tax for financial assets | Impact on group's net income before tax for financial liabilities | Impact on group's net income before tax for financial assets | Impact on group's net income before tax for financial liabilities |
| Appreciation in foreign currencies by 10% | -                                                            | 99.10                                                             | 0.04                                                         | 0.23                                                              |
| Depreciation in foreign currencies by 10% | -                                                            | (99.10)                                                           | (0.04)                                                       | (0.23)                                                            |

(Note: The impact is indicated on the income/loss before tax basis).

## 48 Capital management

For the purposes of Group's capital management, Capital includes issued equity share capital, securities premium and all other equity reserves attributable to the equity holders of the Parent Company. The primary objective of the Group's capital management is to ensure that it maintains an efficient capital structure and maximize shareholder value. The Group manages its capital structure and makes adjustments in light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Parent Company may adjust the dividend payment to shareholders or issue new shares. The Group monitors capital using capital gearing ratio which is net debt divided by total capital plus net debt.

### Gearing ratio

The gearing ratio at the end of the reporting period was as follows:

Consistent with others in the industry, the Group monitors capital on the basis of the following gearing ratio:

- net debt (total borrowings and lease liabilities net of cash and cash equivalents)
- divided by total 'equity' (as shown in the balance sheet)
- there have been no breaches in the financial covenants of any interest-bearing loans and borrowings in the current period.

| Particulars                                             | As at March 31, 2026 | As at March 31, 2025 |
|---------------------------------------------------------|----------------------|----------------------|
| Borrowings (Non current)                                | 6,067.16             | 241.75               |
| Borrowings (Current)                                    | 3,540.12             | 1,365.24             |
| Lease liability (Non current)                           | 198.20               | 4.52                 |
| Lease liability (Current)                               | 4.35                 | 3.92                 |
| Less: Cash and cash equivalents including bank balances | (2,699.72)           | (783.54)             |
| <b>Net debt</b>                                         | <b>7,110.11</b>      | <b>831.89</b>        |
| Equity attributable to owners of the holding Company    | 22,072.98            | 11,698.95            |
| <b>Total Capital</b>                                    | <b>22,072.98</b>     | <b>11,698.95</b>     |
| <b>Capital and net debt</b>                             | <b>29,183.09</b>     | <b>12,530.84</b>     |
| <b>Gearing ratio (Net debt/capital and Net debt)</b>    | <b>24.36%</b>        | <b>6.64%</b>         |

### Note:

In order to achieve the overall objective, the Group's capital management, amongst the other things, aim is to ensure that it meets the financial covenant attached to interest bearing loan and borrowing that define the capital structure requirement. There have been no breaches in the financial covenant of any interest bearing loan and borrowing in the current and previous years.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2026 and March 31, 2025.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 49 Segment Information

### i) Basis of Identifying operating segments:

Operating segments are identified as those components of the Group

- (a) that engage in business activities to earn revenues and incur expenses (including transactions with any of the Group's other components;
- (b) whose operating results are regularly reviewed by the Board of Directors to make decisions about resource allocation and performance assessment and
- (c) for which discrete financial information is available.

The Group has three reporting segment:

- (a) Telecom
- (b) Energy
- (c) Others consist of various services and projects

### ii) Information about reporting segment:

Segment information is provided to and reviewed by Chief Operating Decision Maker (CODM). The revenues, total expenses and profit as per the statement of profit and loss represents the revenue, total expenses and the profits of the reportable segment as follows:

#### For the year ended March 31, 2025

| Particulars                               | Energy          | Telecom          | Other        | Unallocated     | Total Segment    | For the year ended March 31, 2025 |
|-------------------------------------------|-----------------|------------------|--------------|-----------------|------------------|-----------------------------------|
| <b>Revenue</b>                            |                 |                  |              |                 |                  |                                   |
| External customer                         | 1,363.47        | 22,978.56        | 44.99        | 0.78            | 24,387.80        | 24,387.80                         |
| Inter segments                            | -               | -                | -            | -               | -                | -                                 |
| <b>Total revenue</b>                      | <b>1,363.47</b> | <b>22,978.56</b> | <b>44.99</b> | <b>0.78</b>     | <b>24,387.80</b> | <b>24,387.80</b>                  |
| <b>Expenses</b>                           |                 |                  |              |                 |                  |                                   |
| (a) Cost of materials consumed            | 1,236.70        | 15,970.79        | 27.57        | -               | 17,235.06        | 17,235.06                         |
| (b) Employee benefits expense             | 7.90            | 648.52           | 9.60         | 1.10            | 667.13           | 667.13                            |
| (c) Other expenses                        | 48.38           | 1,332.16         | 2.03         | 285.97          | 1,668.54         | 1,668.54                          |
| <b>Total expenses</b>                     | <b>1,292.98</b> | <b>17,951.47</b> | <b>39.21</b> | <b>287.06</b>   | <b>19,570.73</b> | <b>19,570.74</b>                  |
| <b>Segment results</b>                    | <b>70.49</b>    | <b>5,027.09</b>  | <b>5.78</b>  | <b>(286.29)</b> | <b>4,817.07</b>  | <b>4,817.06</b>                   |
| (d) Others income                         | -               | -                | -            | 234.22          | 234.22           | 234.22                            |
| (e) Finance costs                         | -               | -                | -            | (1,151.50)      | (1,151.50)       | (1,151.50)                        |
| (f) Depreciation and amortisation expense | -               | -                | -            | (60.49)         | (60.49)          | (60.48)                           |
| (g) Unallocable expenses                  | -               | -                | -            | -               | -                | -                                 |
| <b>Profit before tax</b>                  | <b>70.49</b>    | <b>5,027.09</b>  | <b>5.78</b>  | <b>1,159.93</b> | <b>3,839.30</b>  | <b>3,839.30</b>                   |
| <b>Tax expense</b>                        |                 |                  |              |                 |                  |                                   |
| (1) Current tax                           |                 |                  |              | 1,146.33        | 1,146.33         | 1,146.33                          |
| (2) Deferred tax                          |                 |                  |              | (171.54)        | (171.54)         | (171.54)                          |
| (3) Income tax of earlier years           |                 |                  |              | 73.48           | 73.48            | 73.48                             |
| <b>Total tax expense (D)</b>              |                 |                  |              | <b>1,048.27</b> | <b>1,048.27</b>  | <b>1,048.27</b>                   |
| <b>Profit after tax (E)=(C-D)</b>         |                 |                  |              | <b>111.66</b>   | <b>2,791.04</b>  | <b>2,791.03</b>                   |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 49 Segment Information (Contd..)

For the year ended March 31, 2026

| Particulars                               | Energy           | Telecom          | Other        | Unallocated       | Total Segment    | For the year ended March 31, 2026 |
|-------------------------------------------|------------------|------------------|--------------|-------------------|------------------|-----------------------------------|
| <b>Revenue</b>                            |                  |                  |              |                   |                  |                                   |
| External customer                         | 11,950.17        | 14,395.90        | 66.63        | -                 | 26,412.70        | 26,412.70                         |
| Inter segments                            | -                | -                | -            | -                 | -                | -                                 |
| <b>Total revenue</b>                      | <b>11,950.17</b> | <b>14,395.90</b> | <b>66.63</b> | <b>-</b>          | <b>26,412.70</b> | <b>26,412.70</b>                  |
| <b>Expenses</b>                           |                  |                  |              |                   |                  |                                   |
| (a) Cost of materials consumed            | 9,594.70         | 10,003.50        | 64.95        | -                 | 19,663.14        | 19,663.14                         |
| (b) Employee benefits expense             | 258.14           | 701.90           | -            | -                 | 960.03           | 960.03                            |
| (c) Other expenses                        | 456.96           | 120.02           | -            | -                 | 576.98           | 576.98                            |
| <b>Total expenses</b>                     | <b>10,309.79</b> | <b>10,825.41</b> | <b>64.95</b> | <b>-</b>          | <b>21,200.15</b> | <b>21,200.15</b>                  |
| <b>Segment results</b>                    | <b>1,640.38</b>  | <b>3,570.48</b>  | <b>1.69</b>  | <b>-</b>          | <b>5,212.55</b>  | <b>5,212.55</b>                   |
| (d) Others income                         | -                | -                | -            | 461.07            | 461.07           | 461.07                            |
| (e) Finance costs                         | -                | -                | -            | (598.23)          | (598.23)         | (598.23)                          |
| (f) Depreciation and amortisation expense | -                | -                | -            | (120.04)          | (120.04)         | (120.04)                          |
| (g) Unallocable expenses                  | -                | -                | -            | (660.05)          | (660.05)         | (660.05)                          |
| <b>Profit before tax</b>                  | <b>1,640.38</b>  | <b>3,570.48</b>  | <b>1.69</b>  | <b>(917.25)</b>   | <b>4,295.30</b>  | <b>4,295.29</b>                   |
| <b>Tax expense</b>                        |                  |                  |              |                   |                  |                                   |
| (1) Current tax                           |                  |                  |              | 1,125.18          | 1,125.18         | 1,125.18                          |
| (2) Deferred tax                          |                  |                  |              | 90.32             | 90.32            | 90.32                             |
| (3) Income tax of earlier years           |                  |                  |              | 7.15              | 7.15             | 7.15                              |
| <b>Total tax expense (D)</b>              |                  |                  |              | <b>1,222.65</b>   | <b>1,222.65</b>  | <b>1,222.65</b>                   |
| <b>Profit after tax (E)=(C-D)</b>         |                  |                  |              | <b>(2,139.91)</b> | <b>3,072.65</b>  | <b>3,072.64</b>                   |

### (a) Other segment informations

| Particulars                 | Energy    | Telecom   | Other  | Unallocated | Total            |
|-----------------------------|-----------|-----------|--------|-------------|------------------|
| <b>As at March 31, 2025</b> |           |           |        |             |                  |
| Segment assets              | 1,670.62  | 18,135.73 | 122.35 | 6,560.87    | <b>26,489.56</b> |
| Segment liabilities         | 128.05    | 1,166.44  | -      | 13,105.05   | <b>14,399.53</b> |
| <b>As at March 31, 2026</b> |           |           |        |             |                  |
| Segment assets              | 19,669.56 | 22,054.01 | 97.72  | 11,320.82   | <b>53,142.11</b> |
| Segment liabilities         | 13,829.39 | 12,240.96 | -      | 4,549.48    | <b>30,619.84</b> |

(b) All assets and revenue of the Group are within India.

(c) Further, from two external customers the Group has revenue of ₹15,257.35 million (March 31, 2025: One external customer with revenue of ₹ 20,627.35 million) more than 10% of the total revenue from operations.

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

### (a) Details of benami property held

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

### (b) Relationship with struck off companies

The Group has not entered into any transactions with struck off companies during the year ended March 31, 2026 and March 31, 2025.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 50 Additional regulatory information required by Schedule III of Companies Act, 2013 (Contd..)

### (c) Details of crypto currency or virtual currency

The Group has not traded or invested in Crypto currency or Virtual Currency during the year ended March 31,2026 and March 31,2025.

### (d) Details of transaction disclosed under Income Tax Act

The Group has not any such transaction which is not recorded in the books of accounts that has been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961

### (e) Charges or satisfaction

The Group does not have any charges or satisfaction which are yet to be registered with the Registrar of Companies beyond the statutory period.

### (f) Details of advanced or loaned or invested funds

The Group has not advanced or loaned or invested funds to any other person or entity, including foreign entities (Intermediaries) with the understanding that the intermediary shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (ultimate beneficiaries); or
- (b) provide any guarantee, security or the like to or on behalf of the ultimate beneficiaries

### (g) Details of fund received

The Group has not received any fund from any person or entity, including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

- (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries); or
- (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries,

### (h) Willful defaulter

The Group is not a willful defaulter of any loan or other borrowing from any lender.

### (i) Compliance with number of layers of companies

The Group has complied with the number of layers of companies prescribed under the Companies Act, 2013.

### (j) Compliance with approved scheme(s) of arrangements

The Group has not entered into any scheme of arrangement which has an accounting impact in the year ended March 31,2026 and March 31,2025.

### (k) Revaluation

The Group has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year ended March 31,2026, and March 31,2025.

### (l) Borrowing secured against assets

The Group has borrowings from banks and financial institutions on the basis of security of current assets.

### (m) Purpose of borrowings

The borrowings obtained by the Group from banks and financial institutions have been applied for the purposes for which such loans were taken and the Group has not used funds raised on short term basis for long term purpose.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

**51** Additional information pursuant to Division II of Schedule III to the Companies Act, 2013 'General instructions, of enterprises consolidated as subsidiaries for the preparation of consolidated financial information.

## a) (i) As of March 31, 2026

| Name of the entity                                                                                           | Net assets i.e. total assets minus total liabilities |                  | Share in profit/ (loss)          |                 | Share in OCI          |               | Share in total comprehensive income                |                 |
|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------|----------------------------------|-----------------|-----------------------|---------------|----------------------------------------------------|-----------------|
|                                                                                                              | % of consolidated net assets                         | Amount           | % of consolidated profit/ (loss) | Amount          | % of consolidated OCI | Amount        | % of consolidated total other comprehensive income | Amount          |
| <b>Holding Company:</b>                                                                                      |                                                      |                  |                                  |                 |                       |               |                                                    |                 |
| Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) | 89.27%                                               | 19,704.62        | 82.85%                           | 2,465.22        | (133.23%)             | 2.14          | 82.96%                                             | 2,467.36        |
| <b>Domestic subsidiaries:</b>                                                                                |                                                      |                  |                                  |                 |                       |               |                                                    |                 |
| Pace Renewable Energies Private Limited                                                                      | 11.59%                                               | 2,557.80         | 5.77%                            | 171.55          | 3.85%                 | (0.06)        | 5.76%                                              | 171.44          |
| Lineage Power Private Limited                                                                                | 9.98%                                                | 2,203.62         | 16.20%                           | 482.06          | 348.97%               | (5.60)        | 16.02%                                             | 476.41          |
| AP Digital Infra Private Limited                                                                             | 0.00%                                                | -                | 0.00%                            | -               | 0.00%                 | -             | 0.00%                                              | -               |
| Inso Pace Private Limited                                                                                    | 0.00%                                                | 0.23             | (0.02%)                          | (0.64)          | 0.00%                 | -             | (0.02%)                                            | (0.64)          |
| Transgreenx Energy Private Limited                                                                           | 0.00%                                                | 0.05             | (0.00%)                          | (0.05)          | -                     | -             | 0.00%                                              | -               |
| Lineage Defence and Aerospace Private Limited                                                                | 0.00%                                                | 0.05             | (0.00%)                          | (0.05)          | -                     | -             | 0.00%                                              | -               |
| Pace Ecoplanet Solace Private Limited                                                                        | 0.00%                                                | 0.05             | (0.00%)                          | (0.05)          | -                     | -             | 0.00%                                              | -               |
| <b>Foreign subsidiaries:</b>                                                                                 |                                                      |                  |                                  |                 |                       |               |                                                    |                 |
| Lineage Power Holdings (Singapore) Pte. Ltd.                                                                 | (0.01%)                                              | (1.77)           | (0.06%)                          | (1.78)          | 19.07%                | (0.31)        | (0.07%)                                            | (2.09)          |
| Lineage Power (Myanmar) Limited                                                                              | 0.08%                                                | 17.12            | (0.00%)                          | (0.00%)         | (69.17%)              | 1.11          | 0.04%                                              | 1.11            |
| <b>Non controlling interest</b>                                                                              |                                                      |                  |                                  |                 |                       |               |                                                    |                 |
| Non controlling interest in subsidiaries                                                                     | (2.04%)                                              | (449.28)         | (3.26%)                          | (96.96)         | (70.74%)              | 1.13          | (3.22%)                                            | (95.82)         |
| <b>Sub total</b>                                                                                             | <b>108.88%</b>                                       | <b>24,032.49</b> | <b>101.47%</b>                   | <b>3,019.30</b> | <b>98.75%</b>         | <b>(1.58)</b> | <b>101.47%</b>                                     | <b>3,017.72</b> |
| Less: Intercompany elimination and consolidation adjustments                                                 | (8.88%)                                              | (1,959.50)       | (1.47%)                          | (43.62)         | 1.25%                 | (0.02)        | (1.47%)                                            | (43.64)         |
| <b>Total</b>                                                                                                 | <b>100.00%</b>                                       | <b>22,072.98</b> | <b>100.00%</b>                   | <b>2,975.68</b> | <b>100.00%</b>        | <b>(1.60)</b> | <b>100.00%</b>                                     | <b>2,974.08</b> |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 52 (Contd..)

### (ii) As of March 31, 2025

| Name of the entity                                                                                           | Net assets i.e. total assets minus total liabilities |                  | Share in profit/ (loss)          |                 | Share in OCI          |             | Share in total comprehensive income                |                 |
|--------------------------------------------------------------------------------------------------------------|------------------------------------------------------|------------------|----------------------------------|-----------------|-----------------------|-------------|----------------------------------------------------|-----------------|
|                                                                                                              | % of consolidated net assets                         | Amount           | % of consolidated profit/ (loss) | Amount          | % of consolidated OCI | Amount      | % of consolidated total other comprehensive income | Amount          |
| <b>Holding Company:</b>                                                                                      |                                                      |                  |                                  |                 |                       |             |                                                    |                 |
| Pace Digitek Limited (Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited) | 84.06%                                               | 9,834.65         | 87.19%                           | 2,333.23        | 63.55%                | 0.47        | 87.18%                                             | 2,333.70        |
| <b>Domestic subsidiaries:</b>                                                                                |                                                      |                  |                                  |                 |                       |             |                                                    |                 |
| Pace Renewable Energies Private Limited                                                                      | 5.44%                                                | 636.30           | (5.43%)                          | (145.31)        | 0.00%                 | -           | (5.43%)                                            | (145.31)        |
| Lineage Power Private Limited                                                                                | 14.76%                                               | 1,727.15         | 22.50%                           | 602.16          | (44.21%)              | (0.32)      | 22.48%                                             | 601.84          |
| AP Digital Infra Private Limited                                                                             | (0.00%)                                              | (0.44)           | 0.48%                            | 12.85           | 0.00%                 | -           | 0.48%                                              | 12.85           |
| Inso Pace Private Limited                                                                                    | 0.01%                                                | 0.87             | 0.11%                            | 2.89            | 0.00%                 | -           | 0.11%                                              | 2.89            |
| <b>Foreign subsidiaries:</b>                                                                                 |                                                      |                  |                                  |                 |                       |             |                                                    |                 |
| Lineage Power Holdings (Singapore) Pte. Ltd.                                                                 | 0.00%                                                | 0.32             | (0.02%)                          | (0.63)          | (12.38%)              | (0.09)      | (0.03%)                                            | (0.72)          |
| Lineage Power(Myanmar) Limited                                                                               | 0.15%                                                | 17.12            | 0.07%                            | 1.78            | 84.09%                | 0.62        | 0.09%                                              | 2.40            |
| <b>Non controlling interest</b>                                                                              |                                                      |                  |                                  |                 |                       |             |                                                    |                 |
| Non controlling interest in subsidiaries                                                                     | (3.34%)                                              | (391.07)         | (4.30%)                          | (114.94)        | 8.96%                 | 0.07        | (4.29%)                                            | (114.88)        |
| <b>Sub total</b>                                                                                             | <b>101.08%</b>                                       | <b>11,824.91</b> | <b>100.60%</b>                   | <b>2,692.13</b> | <b>100.00%</b>        | <b>0.74</b> | <b>100.60%</b>                                     | <b>2,692.88</b> |
| Less: Intercompany elimination and consolidation adjustments                                                 | (1.08%)                                              | (125.96)         | (0.60%)                          | (16.06)         | 0.00%                 | -           | (0.60%)                                            | (16.06)         |
| <b>Total</b>                                                                                                 | <b>100.00%</b>                                       | <b>11,698.95</b> | <b>100.00%</b>                   | <b>2,676.08</b> | <b>100.00%</b>        | <b>0.74</b> | <b>100.00%</b>                                     | <b>2,676.81</b> |



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026  
(Amounts are ₹ in million unless otherwise stated)

## b) Information on Subsidiaries

Group information

The consolidated financial statements of the Group includes the following subsidiaries :

| Name of Company                               | Country of Incorporation | Ownership interest held by Group |                     | Non controlling interests |                     | Reporting date used for as at consolidation |
|-----------------------------------------------|--------------------------|----------------------------------|---------------------|---------------------------|---------------------|---------------------------------------------|
|                                               |                          | As at March 31,2026              | As at March 31,2025 | As at March 31,2026       | As at March 31,2025 |                                             |
| Domestic subsidiaries:                        |                          |                                  |                     |                           |                     |                                             |
| Pace Renewable Energies Private Limited       | India                    | 99.99%                           | 93.87%              | 0.01%                     | 6.13%               | March 31,2026                               |
| Lineage Power Private Limited                 | India                    | 79.73%                           | 79.73%              | 20.27%                    | 20.27%              | March 31,2026                               |
| AP Digital Infra Private Limited*             | India                    | 0.00%                            | 97.97%              | NA                        | 2.03%               | NA                                          |
| Inso Pace Private Limited                     | India                    | 51.00%                           | 51.00%              | 49.00%                    | 49.00%              | March 31,2026                               |
| Transgreenx Energy Private Limited            | India                    | 99.99%                           | 0.00%               | 0.01%                     | 100.00%             | March 31,2026                               |
| Lineage Defence and Aerospace Private Limited | India                    | 99.99%                           | 0.00%               | 0.01%                     | 100.00%             | March 31,2026                               |
| Pace Ecoplanet Solace Private Limited         | India                    | 60.00%                           | 0.00%               | 40.00%                    | 100.00%             | March 31,2026                               |
| Foreign subsidiaries:                         |                          |                                  |                     |                           |                     |                                             |
| Lineage Power Holdings (Singapore) Pte. Ltd.  | Singapore                | 99.99%                           | 99.99%              | 0.01%                     | 0.01%               | March 31,2026                               |
| Lineage Power(Myanmar) Limited                | Myanmar                  | 95.00%                           | 95.00%              | 5.00%                     | 5.00%               | March 31,2026                               |

\* During the year, AP Digital Infra Private Limited, a subsidiary, was struck off from the Register of Companies pursuant to the provisions of the Companies Act, 2013. Consequently, the Holding Company ceased to hold its investment in the Company.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

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

## In the books of Holding Company

Year ended March 31, 2026

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 52 (Contd..)

| Quarter ending     | Particulars of securities provided | Amount as per books of account (₹ In million) | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                                          |
|--------------------|------------------------------------|-----------------------------------------------|-------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| September 30, 2025 | Revenue                            | 3,421.11                                      | 4,591.80                                              | (1,170.69)           | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31, 2025  | Revenue                            | 5,419.95                                      | 5,419.90                                              | 0.05                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31, 2026     | Revenue                            | 4,870.36                                      | 4,870.40                                              | (0.04)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

## Year ended March 31, 2025

| Quarter ending     | Particulars of securities provided | Amount as per books of account (₹ In million) | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                                          |
|--------------------|------------------------------------|-----------------------------------------------|-------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| June 30, 2024      | Inventory                          | 1,446.09                                      | 1,432.00                                              | 14.09                | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30, 2024 | Inventory                          | 1,421.60                                      | 1,421.60                                              | -                    | NA                                                                                         |
| December 31, 2024  | Inventory                          | 1,354.26                                      | 1,161.40                                              | 192.86               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31, 2025     | Inventory                          | 440.29                                        | 1,155.30                                              | (715.01)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30, 2024      | Trade receivables                  | 8,948.79                                      | 9,823.70                                              | (874.91)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30, 2024 | Trade receivables                  | 13,470.86                                     | 13,791.20                                             | (320.34)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31, 2024  | Trade receivables                  | 14,191.35                                     | 14,375.70                                             | (184.35)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31, 2025     | Trade receivables                  | 11,494.70                                     | 9,469.10                                              | 2,025.60             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30, 2024      | Trade Payable                      | 7,998.51                                      | 6,325.10                                              | 1,673.41             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30, 2024 | Trade Payable                      | 8,886.72                                      | 7,758.60                                              | 1,128.12             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 52 (Contd..)

| Quarter ending    | Particulars of securities provided | Amount as per books of account (₹ In million) | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                                          |
|-------------------|------------------------------------|-----------------------------------------------|-------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| December 31,2024  | Trade Payable                      | 5,954.97                                      | 4,885.80                                              | 1,069.17             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2025     | Trade Payable                      | 10,370.03                                     | 10,580.40                                             | (210.37)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2024      | Revenue                            | 3,297.36                                      | 4,047.80                                              | (750.44)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2024 | Revenue                            | 7,412.62                                      | 7,412.80                                              | (0.18)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2024  | Revenue                            | 4,153.59                                      | 4,134.60                                              | 18.99                | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2025     | Revenue                            | 7,246.21                                      | 7,125.00                                              | 121.21               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

In the books of Subsidiary Company " Lineage Power Private Limited"

## Year ended March 31, 2026

| Quarter ending    | Particulars of securities provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                                          |
|-------------------|------------------------------------|--------------------------------|-------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| June 30,2025      | Inventory                          | 974.88                         | 811.00                                                | 163.88               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2025 | Inventory                          | 1,057.76                       | 1,057.70                                              | 0.06                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2025  | Inventory                          | 1,723.61                       | 1,723.61                                              | 0.00                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2026     | Inventory                          | 2,088.51                       | 2,088.46                                              | 0.04                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2025      | Trade receivables                  | 2,637.84                       | 2,692.80                                              | (54.96)              | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2025 | Trade receivables                  | 2,829.63                       | 2,829.60                                              | 0.03                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2025  | Trade receivables                  | 1,943.05                       | 1,943.10                                              | (0.05)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 52 (Contd..)

| Quarter ending    | Particulars of securities provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                                          |
|-------------------|------------------------------------|--------------------------------|-------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| March 31,2026     | Trade receivables                  | 5,376.45                       | 5,376.50                                              | (0.05)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2025      | Trade payable                      | 1,439.40                       | 1,119.00                                              | 320.40               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2025 | Trade payable                      | 1,782.32                       | 1,782.30                                              | 0.02                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2025  | Trade payable                      | 2,126.45                       | 2,126.50                                              | (0.05)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2026     | Trade payable                      | 3,718.53                       | 3,718.50                                              | 0.03                 | The difference is mainly due to reporting to banks are prior to quarterly closer of books  |
| June 30,2025      | Revenue                            | 481.37                         | 598.40                                                | (117.03)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2025 | Revenue                            | 2,543.52                       | 2,426.50                                              | 117.02               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2025  | Revenue                            | 2,633.49                       | 2,633.49                                              | (0.00)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2026     | Revenue                            | 4,977.61                       | 4,977.60                                              | 0.01                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

## Year ended March 31, 2025

| Quarter ending    | Particulars of securities provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                                          |
|-------------------|------------------------------------|--------------------------------|-------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| June 30,2024      | Inventory                          | 1,645.61                       | 965.20                                                | 680.41               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2024 | Inventory                          | 706.03                         | 706.00                                                | 0.03                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2024  | Inventory                          | 805.34                         | 805.30                                                | 0.04                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2025     | Inventory                          | 678.09                         | 692.60                                                | (14.51)              | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2024      | Trade receivables                  | 6,095.30                       | 7,207.20                                              | (1,111.90)           | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 52 (Contd..)

| Quarter ending    | Particulars of securities provided | Amount as per books of account | Amount as reported in the quarterly return/ statement | Amount of difference | Reason for material discrepancies                                                          |
|-------------------|------------------------------------|--------------------------------|-------------------------------------------------------|----------------------|--------------------------------------------------------------------------------------------|
| September 30,2024 | Trade receivables                  | 4,428.02                       | 4,428.00                                              | 0.02                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2024  | Trade receivables                  | 3,942.60                       | 3,942.60                                              | (0.00)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2025     | Trade receivables                  | 3,308.86                       | 3,263.60                                              | 45.26                | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2024      | Trade payable                      | 5,475.98                       | 5,475.20                                              | 0.78                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2024 | Trade payable                      | 2,560.32                       | 2,522.30                                              | 38.02                | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2024  | Trade payable                      | 1,949.55                       | 1,949.50                                              | 0.05                 | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2025     | Trade payable                      | 1,879.02                       | 1,879.10                                              | (0.08)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| June 30,2024      | Revenue                            | 1,932.72                       | 1,933.90                                              | (1.18)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| September 30,2024 | Revenue                            | 2,743.44                       | 3,561.40                                              | (817.96)             | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| December 31,2024  | Revenue                            | 702.47                         | 705.60                                                | (3.13)               | The difference is mainly due to reporting to banks are prior to quarterly closure of books |
| March 31,2025     | Revenue                            | 983.89                         | 947.00                                                | 36.89                | The difference is mainly due to reporting to banks are prior to quarterly closure of books |

## 53 Contingent liabilities, contingent assets and litigations, corporate guarantees and capital commitments

### a) Letter of credit

| Particulars                  | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------|-------------------------|-------------------------|
| Outstanding letter of credit | 679.19                  | 801.79                  |
| <b>Total</b>                 | <b>679.19</b>           | <b>801.79</b>           |



# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 53 Contingent liabilities, contingent assets and litigations, corporate guarantees and capital commitments (Contd..)

### b) Contingent liabilities

| Particulars                                                | As at<br>March 31, 2026 | As at<br>March 31, 2025 |
|------------------------------------------------------------|-------------------------|-------------------------|
| <b>Claims against the group not acknowledged as debts:</b> |                         |                         |
| Direct tax matters                                         | 93.76                   | 93.76                   |
| Indirect tax matters                                       | 536.64                  | 460.84                  |
| Civil cases                                                | 18.37                   | -                       |
| <b>Total</b>                                               | <b>648.77</b>           | <b>554.60</b>           |

The Group pending litigations comprise of claims against the proceedings pending with various direct tax, indirect tax. The Management has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required or disclosed as contingent liabilities where applicable, in its consolidated financial statements. The Management does not expect the outcome of these proceedings to have a materially adverse effect on its financial statements.

## 54 Material regrouping/reclassification

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

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

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

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

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

The details of utilisation of IPO proceeds are as follows:

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

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

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

## 56 Data backup

The books of account along with other relevant records and papers of the Holding Company and its subsidiaries, which are companies incorporated in India, are maintained in electronic mode. These are readily accessible in India at all times and a back-up is maintained in servers situated in India and the Company and its officers have full access to the data in the servers.

## 57 Audit trail

The Holding Company and its subsidiary companies incorporated in India have used accounting software for maintaining its books of accounts for the financial year ended March 31, 2026 which have a feature of recording audit trail (edit log) facility except audit trail functionality at the database level due to inherent limitations of the software and the same has operated throughout the year for all relevant transactions recorded in the accounting software systems.

# Notes to the Consolidated Financial Statements

for the year ended March 31, 2026

(Amounts are ₹ in million unless otherwise stated)

## 58 Subsequent event

The Group evaluates events and transactions that occur subsequent to the balance sheet date but prior to the issuance of the consolidated financial statements to determine the necessity for recognition and/or reporting of any such events and transactions in the consolidated financial statements.

As of May 25, 2026 there were no subsequent events to be recognized or reported in these consolidated financial statements.

### Material accounting policies

Accompanying notes form an integral part of the consolidated financial information

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

Chartered Accountants

Firm's Registration No. 000756N/N500441

Sd/-

**AMIT GOEL**

Partner

Membership No. 500607

Place: Bangalore

Date: May 25, 2026

#### For and on behalf of the Board

**Pace Digitek Limited**

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

Sd/-

**Venugopalrao Maddisetty**

Managing Director

DIN-02070491

Place: Bangalore

Date: May 25, 2026

Sd/-

**Maddisetty Padma**

Whole-Time-Director

DIN-02070662

Place: Bangalore

Date: May 25, 2026

Sd/-

**Pandidurai Rajavendhan**

Chief Financial Officer

Membership No. 221057

Place: Bangalore

Date: May 25, 2026

Sd/-

**Meghana Purushotham Manchaiah**

Company Secretary

Membership No. A42534

Place: Bangalore

Date: May 25, 2026

**PACE DIGITEK LIMITED****[Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited]****CIN No:** L31909KA2007PLC041949**Regd. Office:** Plot # V 12, Industrial Estate, Kumbalgodu, Bangalore Mysore Highway, Bangalore, Karnataka, India, 560074**E-mail id:** [cs@pacedigitek.com](mailto:cs@pacedigitek.com) Contact:080-29547792**Website:** [www.pacedigitek.com](http://www.pacedigitek.com)

Dear Members,

Invitation to attend the 19<sup>th</sup> Annual General Meeting on Monday, September 21, 2026

You are cordially invited to attend the 19<sup>th</sup> Annual General Meeting ("**AGM**") of **PACE DIGITEK LIMITED** [Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited] (the "**Company**") to be held on Monday, September 21, 2026 at 11:30 AM IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"). The Notice convening the AGM is enclosed herewith.

Information at a glance, the key details regarding the meeting are provided below:

| Particulars                                                                       | FY 2025-26                                                                                                                                                                                                                                                  |
|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Day, Date and time of the AGM                                                     | Monday, September 21, 2026 at 11:30 AM IST                                                                                                                                                                                                                  |
| Mode                                                                              | Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM")                                                                                                                                                                                                 |
| Link for live webcast of the AGM and for participation through Video Conferencing | <a href="https://www.pacedigitek.com/investor-relations/stock-exchange-compliance">https://www.pacedigitek.com/investor-relations/stock-exchange-compliance</a>                                                                                             |
| Link for remote e-voting                                                          | <a href="https://instavote.in.mpms.mufig.com/">https://instavote.in.mpms.mufig.com/</a>                                                                                                                                                                     |
| Cut-Off date for e-voting                                                         | September 14, 2026                                                                                                                                                                                                                                          |
| E-Voting start date and time                                                      | September 18, 2026 at 09:00 AM IST                                                                                                                                                                                                                          |
| E-Voting end date and time                                                        | September 20, 2026 at 05:00 PM IST                                                                                                                                                                                                                          |
| Name of Registrar and Share Transfer Agent and e-voting service provider          | MUFG Intime India Private Limited<br>C 101, Embassy 247, L B S Marg, Vikhroli (West), Mumbai 400083<br>Tel No. +918108116767; Fax +91 22 4918 6060<br>Email: <a href="mailto:investor.helpdeske@in.mpms.mufig.com">investor.helpdeske@in.mpms.mufig.com</a> |

**PACE DIGITEK LIMITED**

**[Formerly known as Pace Digitek Private Limited and Pace Digitek Infra Private Limited]**

**CIN No:** L31909KA2007PLC041949

**Regd. Office:** Plot # V 12, Industrial Estate, Kumbalgodu, Bangalore Mysore Highway, Bangalore, Karnataka, India, 560074

**E-mail id:** [cse@pacedigitek.com](mailto:cse@pacedigitek.com) Contact: 080-29547792

**Website:** [www.pacedigitek.com](http://www.pacedigitek.com)

## NOTICE OF NINETEENTH ANNUAL GENERAL MEETING

**NOTICE** is hereby given that the 19<sup>th</sup> (nineteenth) Annual General Meeting ('AGM') of the Members of **Pace Digitek Limited** (formerly known as *Pace Digitek Private Limited* and *Pace Digitek Infra Private Limited*) (the "**Company**") will be held on Monday, September 21, 2026 at 11:30 AM IST through Video Conferencing ("VC")/Other Audio-Visual Means ("OAVM"), to transact the following businesses:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company (including consolidated financial statements) for the Financial Year ended March 31, 2026, together with the reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mr. Venugopalrao Maddisetty, Chairman and Managing Director (DIN:02070491), who retires by rotation and being eligible, offers himself for re-appointment as a Director liable to retire by rotation.

### SPECIAL BUSINESS

3. To ratify the remuneration payable to M/s Kamalakara & Co., Cost Accountants, Bangalore (Firm Registration Number: 000296), Cost Auditors of the Company, for the Financial Year ending March 31, 2027:

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:*

**"RESOLVED THAT** pursuant to Section 148 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost Records and Audit) Rules, 2014 (including any statutory modification(s) and/or re-enactment(s) thereof for the time being in force), the remuneration payable to **M/s Kamalakara & Co., Cost Accountants, Bangalore (Firm Registration Number: 000296)**, who was appointed on the recommendations of the Audit Committee by the Board of Directors as the Cost Auditors, to audit the cost records of the Company for the Financial Year ending March 31, 2027, amounting to ₹ 2,00,000 (Indian Rupees Two Lakhs only) plus applicable taxes and reimbursement of out- of-pocket expenses at actuals, if any, incurred in connection with the audit, be and is hereby ratified and confirmed.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) or Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

4. Appointment of Ms. Maya Swaminathan Sinha (DIN: 03056226) as Women Independent Director of the Company  
*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:*

**"RESOLVED THAT Ms. Maya Swaminathan Sinha (DIN: 03056226)**, who was appointed by the Board of Directors, based on the recommendation of the Nomination and Remuneration Committee as an Additional (Non-Executive) Women Independent Director of the Company with effect from June 20, 2026 and who holds office up to the date of this Annual General Meeting of the Company under Section 161(1) of the Companies Act, 2013 ('the Act') (including any statutory modification or re-enactment thereof for the time being in force) read with Articles of Association of the Company and who is eligible for appointment and has consented to act as Women Independent Director of the Company and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing her candidature for the office of Director, be and is hereby appointed as a Women Independent Director of the Company.

**RESOLVED FURTHER THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Act (including any statutory modification or reenactment thereof for the time being in force) read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014, Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), as amended, the appointment of **Ms. Maya Swaminathan Sinha**, who meets the criteria for independence as provided in Section 149(6) of the Act and the Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations and Articles of Associations of the Company and who has submitted a declaration to that effect and who is eligible for appointment, as Women Independent Director of the Company, not liable to retire by rotation, for a term of 5 (five) years commencing from June 20, 2026 up to June 19, 2031, be and is hereby approved."

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing resolution, the Board of Directors (which term shall be deemed to include any Committee of the Board authorized in the said behalf) or Company Secretary of the Company be and is hereby severally authorised to do all such acts, deeds and things, as it may in its absolute discretion deem necessary, proper or desirable, and to settle any question, difficulty or doubt that may arise in respect of aforesaid, without being required to seek any further consent or approval of members of the Company, or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution."

5. To grant approval under Section 185 of the Companies Act, 2013 for providing Loan / Guarantee for Lineage Power Private Limited.

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:*

**"RESOLVED THAT** pursuant to the provisions of Section 185, Section 186 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, the provisions of Regulation 23 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company, and such other approvals, consents, permissions and sanctions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted/to be constituted to exercise the powers conferred by this resolution) to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loans / debentures / bonds etc. raised by subsidiary company(ies) / body corporate(s) in whom any of the Director of the Company is interested upto an aggregate, not exceeding **Rs. 200 (Two Hundred) Crores** or in other currency for an equivalent amount in aggregate, in connection with any loan availed/to be availed by **M/s. Lineage Power Private Limited**, being an entity in whom the Directors of the Company are interested within the meaning of Section 185 of the Companies Act, 2013, on such terms and conditions, including the amount, tenure and purpose, as more particularly set out in the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** the Members hereby note that the proposed loan/guarantee/security shall be utilized by the borrower only for its principal business activities, and that the requisite disclosures in this regard have been made in the Explanatory Statement annexed to this Notice in accordance with Section 185(2) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the said limits are well within the overall upper limits approved under Section 186 of the Companies Act, 2013, which were approved by the Members of the Company by way of a Special Resolution passed on October 16, 2024, and this resolution is being passed as a specific approval required under Section 185 of the Companies Act, 2013 in respect of the said entity.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine the actual terms and conditions, including rate of interest, repayment schedule, security, if any, and other ancillary terms of the loan/guarantee/



security to be granted/provided to **M/s. Lineage Power Private Limited**, within the overall limits and terms approved above, and to do all such acts, deeds, matters and things as may be necessary, expedient or incidental for giving effect to this resolution.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby severally authorized to sign and file necessary e-forms with the Registrar of Companies, make necessary disclosures to the Stock Exchange(s) under the SEBI LODR Regulations, and do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution.

**RESOLVED FURTHER THAT** the Company Secretary and/or any Director of the Company be and is hereby authorized to certify a copy of this resolution and furnish the same to such authorities, regulators, stock exchanges, lenders and other persons as may be required."

6. To grant approval under Section 185 of the Companies Act, 2013 for providing Loan / Guarantee for M/s. Pace Renewable Energies Private Limited.

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:*

**"RESOLVED THAT** pursuant to the provisions of Section 185, Section 186 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, the provisions of Regulation 23 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company, and such other approvals, consents, permissions and sanctions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted/to be constituted to exercise the powers conferred by this resolution) to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loans / debentures / bonds etc. raised by subsidiary company(ies) / body corporate(s) in whom any of the Director of the Company is interested upto an aggregate, not exceeding **Rs. 200 (Two Hundred)** Crores or in other currency for an equivalent amount in aggregate, in connection with any loan availed/to be availed by **M/s. Pace Renewable Energies Private Limited**, being an entity in whom the directors of the Company are interested within the meaning of Section 185 of the Companies Act, 2013, on such other terms and conditions, including tenure and purpose, as more particularly set out in the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** the Members hereby note that the proposed loan/guarantee/security shall be utilized by the borrower only for its principal business activities, and that the requisite disclosures in this regard have been made in the Explanatory Statement annexed to this Notice in accordance with Section 185(2) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the said limits are well within the overall upper limits approved under Section 186 of the Companies Act, 2013, which were approved by the Members of the Company by way of a Special Resolution passed on October 16, 2024, and this resolution is being passed as a specific approval required under Section 185 of the Companies Act, 2013 in respect of the said entity.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine the actual terms and conditions, including rate of interest, repayment schedule, security, if any, and other ancillary terms of the loan/guarantee/security to be granted/provided to M/s. Pace Renewable Energies Private Limited, within the overall limits and terms approved above, and to do all such acts, deeds, matters and things as may be necessary, expedient or incidental for giving effect to this resolution.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby severally authorized to sign and file necessary e-forms with the Registrar of Companies, make necessary disclosures to the Stock Exchange(s) under the SEBI LODR Regulations, and do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution.

**RESOLVED FURTHER THAT** the Company Secretary and/or any Director of the Company be and is hereby authorized to certify a copy of this resolution and furnish the same to such authorities, regulators, stock exchanges, lenders and other persons as may be required."

7. To grant approval under Section 185 of the Companies Act, 2013 for providing Loan / Guarantee for M/s. Inso Pace Private Limited.

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as Special Resolution:*

**"RESOLVED THAT** pursuant to the provisions of Section 185, Section 186 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder, the provisions of Regulation 23 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Articles of Association of the Company, and such other approvals, consents, permissions and sanctions as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall be deemed to include any Committee of the Board constituted/to be constituted to exercise the powers conferred by this resolution) to advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loans / debentures / bonds etc. raised by subsidiary company(ies) / body corporate(s) in whom any of the Director of the Company is interested upto an aggregate, not exceeding **Rs. 200 (Two Hundred)** Crores or in other currency for an equivalent amount in aggregate in connection with any loan availed/to be availed by **M/s. Inso Pace Private Limited**, being an entity in whom the directors of the Company are interested within the meaning of Section 185 of the Companies Act, 2013, on such other terms and conditions, including tenure and purpose, as more particularly set out in the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** the Members hereby note that the proposed loan/guarantee/security shall be utilized by the borrower only for its principal business activities, and that the requisite disclosures in this regard have been made in the Explanatory Statement annexed to this Notice in accordance with Section 185(2) of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the said limits are well within the overall upper limits approved under Section 186 of the Companies Act, 2013, which were approved by the Members of the Company by way of a Special Resolution passed on October 16, 2024, and this resolution is being passed as a specific approval required under Section 185 of the Companies Act, 2013 in respect of the said entity.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to determine the actual terms and conditions, including rate of interest, repayment schedule, security, if any, and other ancillary terms of the loan/guarantee/security to be granted/provided to M/s. Inso Pace Private Limited, within the overall limits and terms approved above, and to do all such acts, deeds, matters and things as may be necessary, expedient or incidental for giving effect to this resolution.

**RESOLVED FURTHER THAT** any Director and/or the Company Secretary of the Company be and is hereby severally authorized to sign and file necessary e-forms with the Registrar of Companies, make necessary disclosures to the Stock Exchange(s) under the SEBI LODR Regulations, and do all such acts, deeds, matters and things as may be necessary for giving effect to this resolution.

**RESOLVED FURTHER THAT** the Company Secretary and/or any Director of the Company be and is hereby authorized to certify a copy of this resolution and furnish the same to such authorities, regulators, stock exchanges, lenders and other persons as may be required."

8. Payment of Remuneration by M/s. Lineage Power Private Limited, Material Subsidiary of the Company, to Ms. Lahari Maddisetty for Holding an Office or Place of Profit therein

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:*

**"RESOLVED THAT** pursuant to the provisions of Section 188 (1) (f) and other applicable provisions, if any, of the Companies Act, 2013 ("Companies Act") read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the provisions of Regulation 23 and other applicable Regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and such other approvals, consents, permissions and sanctions as may be necessary, and based on the recommendation of the Audit Committee and approval of the Board of Directors of the Company, the consent of the Members of the Company be and is hereby accorded for payment of remuneration by **M/s. Lineage Power Private Limited**, a Material Subsidiary

of the Company, to Ms. Lahari Maddisetty, who holds an office or place of profit in the said Material Subsidiary, for an amount not exceeding Rs. 50,00,000 (Fifty Lakhs) per annum, payable by **M/s. Lineage Power Private Limited**, on such terms and conditions, together with performance incentives, Bonus, Commission, Employee Benefits, Perquisites and such other allowances as may be determined from time to time and including the nature of duties, designation and other particulars, as more particularly set out in the Explanatory Statement annexed to this Notice.

**RESOLVED FURTHER THAT** the aforesaid remuneration shall be paid by the Material Subsidiary and may be revised, altered, enhanced or modified by the Board of Directors or the Nomination and Remuneration Committee of the Material Subsidiary from time to time, provided that such revision is within the limits approved herein or such other limits as may be approved by the Members in accordance with applicable law.

**RESOLVED FURTHER THAT** the Members acknowledge that the proposed appointment constitutes a Related Party Transaction and an appointment to an Office or Place of Profit under Section 188(1)(f) of the Companies Act, 2013 and has been placed before the Members after obtaining the approval of the Audit Committee and the Board of Directors in accordance with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations.

**RESOLVED FURTHER THAT** the Board of Directors of the Company (which term shall include any Committee thereof) be and is hereby authorised to do all such acts, deeds, matters and things, execute all such documents, writings and agreements, and to settle any questions, difficulties or doubts that may arise in connection with giving effect to this Resolution, including making such modifications as may be considered necessary or expedient, without requiring any further approval of the Members, provided the same is not inconsistent with the provisions of the Companies Act, 2013 and the SEBI Listing Regulations."

9. Appointment of Mr. Pramod S, Practicing Company Secretary as the Secretarial Auditor of the Company to conduct Secretarial Audit of the company pursuant to Section 204 of the Companies Act, 2013 for a period of 5 Years till the Financial Year ending March 31, 2031.

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:*

**"RESOLVED THAT** pursuant to the provisions of Sections 204 and other applicable provisions of the Companies Act, 2013, read with the rules made thereunder, and Regulation 24A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and based on the recommendations of the Audit Committee and the Board of Directors, the approval of the members be and is hereby accorded for the appointment of CS Pramod S, Practicing Company Secretary (COP No. 13335), as Secretarial Auditors of the Company for a term of five consecutive years, commencing from Financial Year 2026-27 till Financial Year 2030-31 at such remuneration and on such terms and conditions as may be determined by the Board of Directors (including its committees thereof), and to avail any other services, certificates, or reports as may be permissible under applicable laws.

**RESOLVED FURTHER THAT** approval of the Members be and is hereby accorded to the Board to avail or obtain from CS Pramod S, Practicing Company Secretary, such other services or certificates or reports which the Secretarial Auditor may be eligible to provide or issue under the applicable laws, rules, regulations, circulars and guidelines, as may be issued in this regard, at such remuneration / fees as may be mutually agreed with the Secretarial Auditors.

**RESOLVED FURTHER THAT** the Board of Directors of the Company, (including its committees thereof), be and is hereby authorized to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms or submission of documents with any authority or accepting any modifications to the clauses as required by such authorities, for the purpose of giving effect to this resolution and for matters connected therewith, or incidental thereto."

10. Approval for levy of charges for serving of any document to the Members of the Company.

*To consider and, if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:*

**"RESOLVED THAT** pursuant to the provisions of Section 20 of the Companies Act, 2013 and the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force), the consent of the Members be and is hereby accorded to the Board of Directors of the Company and/or any of the duly constituted Committee of the Board of Directors to charge from the Member such fees equivalent to the estimated actual expenses of delivery of the documents to members through a particular mode requested by such member.

**"RESOLVED FURTHER THAT** such requests by Members along with requisite estimated fees shall be duly received by the Company in advance of dispatch of documents by the Company to the Members.

**"RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Directors and Company Secretary of the Company be and is hereby severally authorized to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the foregoing resolution."

**By Order of the Board of Directors  
For Pace Digitek Limited**

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

|                   |                                                                                                                   |
|-------------------|-------------------------------------------------------------------------------------------------------------------|
| Name              | : Sd/-                                                                                                            |
| Name              | : Meghana M P                                                                                                     |
| Designation       | : Company Secretary & Compliance Officer                                                                          |
| Membership Number | : A42534                                                                                                          |
| Office Address    | : Plot # V 12, Industrial Estate, Kumbalgodu,<br>Bangalore, Mysore Highway, Bangalore 560074,<br>Karnataka, India |
| Date              | : May 25, 2026                                                                                                    |
| Place             | : Bengaluru                                                                                                       |

## NOTES:

1. Explanatory Statement setting out the material facts pursuant to Section 102 of the Companies Act, 2013 and as per the Listing Regulations, concerning ordinary and special business resolutions in the Notice of this 19<sup>th</sup> Annual General Meeting is annexed hereto and forms integral part of this Notice.
2. The information required to be provided as per section 102 of the Companies Act, 2013, Secretarial Standard – 2 on General Meetings issued by The Institute of Company Secretaries of India and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, are furnished in the explanatory statement which is annexed hereto.
3. Statement giving details of the Directors seeking appointment and re-appointment is also annexed with this Notice pursuant to the requirement of Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as 'Listing Regulations') and Secretarial Standard on General Meeting ("SS-2").
4. The Ministry of Corporate Affairs ("MCA") permitted holding of the AGM through VC/OAVM, without physical presence of the Members at a common venue. Accordingly, in compliance with the MCA Circulars, AGM of the Company is being held through VC/OAVM. The Registered Office of the Company shall be deemed to be the venue for the AGM. [General Circular Nos. 14/2020 dated April 8, 2020 and 17/2020 dated April 13, 2020, in relation to "Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013", General Circular Nos. 20/2020 dated May 5, 2020 and subsequent circulars issued in this regard, the latest being 03/2025 dated September 22, 2025, collectively referred to as "MCA Circulars"]

Members attending the AGM through VC/OAVM shall be counted for the purpose of determining the quorum. [Section 103 of the Companies Act, 2013 ("Act")] In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company as on **Monday, September 14, 2026 ("cut-off date")** will be entitled to vote during the AGM. Pursuant to the provisions of the Act and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company.

Since this AGM is being held through VC/OAVM, physical attendance of Members has been dispensed with. Accordingly, the facility for appointment of proxy(ies) by the Members will not be available for this AGM and hence, the proxy form, attendance slip and route map of AGM are not annexed to this Notice.

5. The Company has appointed M/s. MUFG Intime India Private Limited, Registrars and Transfer Agents ('MUFG' or 'RTA'), to provide VC/OAVM facility for the AGM.
6. Proceedings of the AGM will be web-casted live for all the Members as on the cut-off date i.e., Monday, September 14, 2026 Members may visit the link [www.pacedigitek.com](http://www.pacedigitek.com) and login through existing user id and password to watch the live proceedings of the AGM. Facility for joining the AGM shall be open 30 minutes before the scheduled time for commencement of AGM and shall be closed 30 minutes after such scheduled time.
7. The Company has appointed CS Shreyas Dwaraki, Company Secretary in Practice, (Membership No. FI1953, C.P. No. 26529), who in the opinion of the Board is a duly qualified person, as Scrutinizer to scrutinize the electronic voting process in a fair and transparent manner.
8. The Scrutiniser will submit his report to the Chairman or to any other person authorised by the Chairman after the completion of the scrutiny of the votes cast through remote e-Voting before/ during the AGM, within two working days of conclusion of the AGM. The results declared along with the Scrutiniser's report shall be communicated to the Stock Exchanges on which the Company's shares are listed and will also be displayed on the Company's website at <https://www.pacedigitek.com/>, and the notice board at the registered office of the Company.
9. Inspection of Documents:

All the documents referred in the Notice will be available for inspection electronically. Members seeking to inspect such documents can send an e-mail to [cs@pacedigitek.com](mailto:cs@pacedigitek.com).

In addition, following documents shall also be available for inspection electronically:

The Register of Directors and Key Managerial Personnel and their shareholding, the Register of Contracts or Arrangements in which Directors are interested, maintained under the Companies Act, 2013.

Members seeking to inspect such documents can send an e-mail to [cs@pacedigitek.com](mailto:cs@pacedigitek.com).

10. In line with the Circulars, an electronic copy of the Annual Report and AGM Notice is being sent to all the Members holding shares in dematerialised form and whose e-mail addresses are available with the Depository Participants ('DPs') for communication purposes.
11. The Annual Report is also available on the Company's Website at <https://www.pacedigitek.com/investor-relations/governance>, websites of the Stock Exchanges i.e., BSE Limited and National Stock Exchange of India Limited at [www.bseindia.com](http://www.bseindia.com) and [www.nseindia.com](http://www.nseindia.com) respectively as well as the website of RTA at <https://in.mpms.mufg.com/>
12. Additionally, as per Regulation 36(1)(b) of the Listing Regulations, a letter providing the weblink of the Annual Report for F.Y. 2025-26 will be sent to those shareholder(s) who have not registered their email address with the Company/ Depositories / Depository Participants / RTA.
13. As per Listing Regulations, physical copy of the Annual Report is required to be sent only to those Members who specifically request for the same. Accordingly, Members who wish to obtain a physical copy of the Annual Report for the F.Y. 2025-26, may write to the Company at [cs@pacedigitek.com](mailto:cs@pacedigitek.com) requesting for the same by providing their holding details.
14. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Investor Relations Department of the Company, at [cs@pacedigitek.com](mailto:cs@pacedigitek.com) at least 7 days before the date of the meeting (i.e on or before Monday, September 14, 2026), to enable the Company to make available the required information at the meeting, to the extent practicable
15. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 (as amended), Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 (as amended) and aforesaid circulars, the Company is providing facility of remote e-voting to its Members in respect of the businesses to be transacted at the AGM. For this purpose, the Company has entered into an agreement with MUFG Intime India Pvt. Ltd for facilitating voting through electronic means, as the authorized agency. The facility of casting votes by a member using remote e-voting system as well as venue voting on the date of the AGM, on all the resolutions set forth in this Notice, will be provided by MUFG.
16. The Company is availing the services of M/s. MUFG Intime India Private Limited for facilitating e-voting i.e., remote e-voting and e-voting at the AGM. The instructions for e-voting are given herein below:
  1. The general meetings of the companies shall be conducted as per the guidelines issued by the Ministry of Corporate Affairs (MCA) vide its Circular dated September 19, 2024 in continuation of its earlier circulars on the subject ("MCA Circulars"). The forthcoming AGM will thus be held through video conferencing (VC) or other audio-visual means (OAVM). Hence, Members can attend and participate in the ensuing AGM through VC/OAVM.
  2. The Members can join the AGM in the VC/OAVM mode 30 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be made available to atleast 1000 members on first come first served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), Promoters, Institutional Investors, Directors, Key Managerial Personnel, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, Auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.



## Annexure-A

### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

**Item No. 2 – To appoint a Director in place of Mr. Venugopalrao Maddisetty, Chairman and Managing Director (DIN:02070491), who retires by rotation and being eligible, offers himself for re-appointment as a Director liable to retire by rotation.**

Pursuant to Section 152 and other applicable provisions of the Companies Act, 2013, the Company's Articles of Association and the terms of appointment of the Chairman as approved by the Shareholders, not less than two-thirds of the total number of Directors of the Company shall be liable to retire by rotation. One-third of these Directors must retire from office at each AGM, but each retiring Director is eligible for re-election at such meeting. Independent Directors and the Executive Chairman are not subject to retirement by rotation.

On September 23, 2025, Mrs. Padma Maddisetty was subject to retirement by rotation and was re-appointed by Members at the 18<sup>th</sup> Annual General Meeting. Accordingly, Mr. Venugopalrao Maddisetty is now required to retire by rotation at this Annual General Meeting and being eligible, has offered himself for re-appointment.

Keeping in view Mr. Venugopalrao Maddisetty is rich and varied experience in the industry, his involvement in the operations of the Company over a long period of time, and his pioneering role in guiding the Company through two decades of diversification and growth to emerge as a world leader in the Telecom and Renewable Energy Sector, the Board of Directors is of the opinion that it would be in the interest of the Company to re-appoint him as a Chairman and Managing Director of the Company.

Additional information in respect of Mr. Venugopalrao Maddisetty, pursuant to Regulation 36(3) of the Listing Regulations and the Secretarial Standard on General Meetings (SS-2), is given as part of Annexure A to this Notice.

Except Mr. Venugopalrao Maddisetty, Mrs. Padma Maddisetty and Mr. Rajiv Maddisetty or their relatives, none of the Directors and Key Managerial Personnel of the Company and their relatives are concerned or interested, financially or otherwise, in the resolution set out at Item No. 2.

Based on performance evaluation and the recommendation of the Nomination and Remuneration Committee, the Board of Directors recommend the resolution in relation to the re-appointment of Mr. Venugopalrao Maddisetty as set out in Item No. 2, for approval of the Members by way of an Ordinary Resolution.

**Item No. 3 – To ratify the remuneration payable to M/s Kamalakara & Co., Cost Accountants, Bangalore (Firm Registration Number: 000296), Cost Auditors of the Company, for the Financial Year ending March 31, 2027.**

In terms of Section 148 of the Companies Act, 2013 ('the Act') and the Rules made thereunder, the Company is required to maintain Cost Audit records and to have the same audited by a Cost Auditor.

Further, Rule 14 of the Companies (Audit and Auditors) Rules 2014, requires that the remuneration payable to the Cost Auditor as recommended by the Audit Committee be ratified by the Shareholders. Based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on April 22, 2026 had appointed M/s Kamalakara & Co., Cost Accountants, Bangalore (Firm Registration Number: 000296) Cost Auditors of the Company, for the Financial Year ending March 31, 2027, for conducting the Cost Audit for the Financial Year 2027 on a remuneration of 2,00,000 (Indian Rupees Two Lakhs only) plus applicable taxes and reimbursement of out-of-pocket expenses at actuals, if any, incurred in connection with the audit.

The Company has received a certificate from the Cost Auditors confirming their independence and arm's length relationship with the Company and their willingness to act as Cost Auditors of the Company.

Accordingly, consent of the Members is sought for ratification of the remuneration payable to the Cost Auditor by passing an Ordinary Resolution as set out in Item No. 3 of the Notice.

None of the Directors or Key Managerial Personnel is concerned or interested financially or otherwise in this Resolution.

The Board recommends the Ordinary Resolution set out at Item No. 3 of the Notice for approval of the Shareholders.

#### Item No. 4 – Appointment of Ms. Maya Swaminathan Sinha (DIN: 03056226) as a Women Independent Director of the Company.

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company ("Board") at its meeting held on June 20, 2026 had appointed Ms. Maya Swaminathan Sinha (DIN: 03056226) as Additional (Non-Executive) Women Independent Director of the Company for a term of Five (5) years effective from June 20, 2026, not liable to retire by rotation, subject to approval of the shareholders of the Company.

Further, in terms of the amended Regulation 17(IC) of the SEBI Listing Regulations, a listed entity shall ensure that the approval of shareholders for appointment of a person on the Board of Directors has to be taken either at the next general meeting or within a time period of three months from the date of appointment, whichever is earlier. Accordingly, approval of the shareholders is sought to comply with the SEBI Listing Regulations.

The Company has received from Ms. Maya Swaminathan Sinha (DIN: 03056226) (i) consents in writing to act as Director in Form DIR-2 pursuant to Rule 8 of Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) intimation in Form DIR-8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act and (iii) a declaration to the effect that she meets the criteria of independence as provided in Section 149(6) of the Act and under SEBI Listing Regulations. She does not hold any equity shares of the Company. The Company has also received a Notice under Section 160 of the Act from a member proposing her candidature for the office of Director of the Company.

#### Brief profile of Ms. Maya Swaminathan Sinha

Ms. Maya Swaminathan Sinha is a retired Indian Revenue Service (IRS) officer of the 1981 batch with over 28 years of experience in public administration, taxation, infrastructure development, and corporate governance. She holds a Bachelor's degree in Economics and Mathematics from Lady Shri Ram College for Women and a Master's degree in Economics from Delhi School of Economics.

During her distinguished government career, she served in senior positions in the Income Tax Department, including the Investigation Wing, and was deputed to the Government of India as Commissioner of the Khadi and Village Industries Commission. Her last assignment was as Deputy Chairman of Jawaharlal Nehru Port Trust.

Details of Director seeking appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015] are as follows:

|                                                                                  |                                                                                                                                                                                                                           |
|----------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of the Director                                                             | Ms. Maya Swaminathan Sinha                                                                                                                                                                                                |
| DIN                                                                              | 03056226                                                                                                                                                                                                                  |
| Designation                                                                      | Women Independent Director                                                                                                                                                                                                |
| Date of Birth                                                                    | March 09, 1959                                                                                                                                                                                                            |
| Age                                                                              | 67 years.                                                                                                                                                                                                                 |
| Date of first appointment on the Board                                           | June 20, 2026                                                                                                                                                                                                             |
| Qualification                                                                    | Bachelor's degree in Economics and Mathematics from Lady Shri Ram College                                                                                                                                                 |
| Profile, Experience and Expertise                                                | Master's degree in Economics Delhi School of Economics                                                                                                                                                                    |
| Details of remuneration last drawn                                               | Ms. Maya Swaminathan Sinha is a retired Indian Revenue Service (IRS) officer of the 1981 batch with over 28 years of experience in public administration, taxation, infrastructure development, and corporate governance. |
| Remuneration proposed to be paid                                                 | Nil                                                                                                                                                                                                                       |
| Terms and Conditions of appointment                                              | 1,00,000 per meeting as sitting fees                                                                                                                                                                                      |
| Shareholding in the listed entity, including shareholding as a beneficial owner. | As per the terms of appointment mentioned in the Appointment letter                                                                                                                                                       |

List of Directorships in listed entities and the membership of Committees of the board [along with listed entities from which the person has resigned in the past three years]

#### Directorship in listed entities:

1. Ceinsys Tech Limited
2. Swan Defence and Heavy Industries Limited
3. Vishnusurya Projects and Infra Limited
4. Transword Shipping Lines Limited- Ceased to be a Director w.e.f 31.03.2024
5. Shriram Finance Limited Ceased to be a director w.e.f 04.12.2024

#### Membership of Committees in listed entities:

1. Ceinsys Tech Limited- Audit and Nomination and Remuneration Committee
2. Swan Defence and Heavy Industries Limited- Nomination and Remuneration Committee
3. Vishnusurya Projects and Infra Limited- Audit Committee, Stakeholder Relationship Committee and Nomination and Remuneration Committee.

|                                                                                                               |                                                                                                                                                                                                                                                                                            |
|---------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| List of outside Directorships held                                                                            | Nil                                                                                                                                                                                                                                                                                        |
| Chairperson/Member of the Committee of Directors of other Public Limited Companies in which she is a Director | <ol style="list-style-type: none"> <li>1. Tata Lockheed Martin Aerostructures Limited</li> <li>2. Tata Boeing Aerospace Limited</li> </ol>                                                                                                                                                 |
| Relationship with other Directors / Key Managerial Personnel                                                  | None                                                                                                                                                                                                                                                                                       |
| Number of Board meetings attended during the FY 2025-26                                                       | Nil                                                                                                                                                                                                                                                                                        |
| The skills and capabilities required for the role                                                             | Ms. Sinha currently serves as an Independent Director on the boards of several companies and is also a member of the Board of Governors of Indian Institute of Management Lucknow. She brings extensive experience in governance, regulatory matters, infrastructure, and board oversight. |

In the opinion of the Board of Directors, Ms. Maya Swaminathan Sinha fulfils the conditions for her appointment as an Independent Director as per the statutory requirements. She is independent of management and possesses appropriate skills, experience, and knowledge.

Except for Ms. Maya Swaminathan Sinha, none of the other Directors/Key Managerial Personnel of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the said resolution.

The Board of Directors of your Company is of the opinion that the appointment of Ms. Sinha as an Independent Director of the Company would be beneficial to the Company and hence recommends the Resolution at **Item no. 4** for the approval of the Members as a Special Resolution.

#### **Item no 05: To grant approval under Section 185 of the Companies Act, 2013 for providing Loans / Guarantee for Lineage Power Private Limited.**

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the Director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for its principal business activities.

**Particulars of Proposed Loan / Guarantee / Security:**

| Particulars                         | Details                                                   |
|-------------------------------------|-----------------------------------------------------------|
| <b>Name of the Entity</b>           | Lineage Power Private Limited                             |
| <b>Relationship with the Entity</b> | Material Subsidiary having common Promoters and Directors |
| <b>Nature of Transaction</b>        | Loan / Guarantee / Security                               |
| <b>Amount (INR in Crores)</b>       | Amount not exceeding 200 Crores                           |
| <b>Purpose</b>                      | Towards principal business activities.                    |

The proposed financial assistance is well within the overall limits approved by the Members under Section 186 of the Act vide Special Resolution passed on October 16, 2024. The present resolution is a specific approval under Section 185 of the Act in respect of the Borrowing Entity and is in addition to, and not in derogation of, the said approval. Requisite Audit Committee approval under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained prior to entering into the transactions.

Except Mr. Venugopalrao Maddisetty, Chairman and Managing Director (DIN: 02070491), Ms. Padma Maddisetty, Whole Time Director (DIN: 02070662) and Mr. Rajiv Maddisetty, Whole Time Director (DIN:08495070) being interested in the Borrowing Entity as stated above, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 05 of the Notice for approval of the Shareholders.

**Item no 06: To grant approval under Section 185 of the Companies Act, 2013 for providing Loan / Guarantee for Pace Renewable Energies Private Limited.**

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the Director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for its principal business activities.

**Particulars of Proposed Loan / Guarantee / Security:**

| Particulars                  | Details                                         |
|------------------------------|-------------------------------------------------|
| Name of the Entity           | Pace Renewable Energies Private Limited         |
| Relationship with the Entity | Wholly Owned Subsidiary having common Directors |
| Nature of Transaction        | Loan / Guarantee / Security                     |
| Amount (INR in Crores)       | Amount not exceeding 200 Crores                 |
| Purpose                      | Towards Principal business activities           |

The proposed financial assistance is well within the overall limits approved by the Members under Section 186 of the Act vide Special Resolution passed on October 16, 2024. The present resolution is a specific approval under Section 185 of the Act in respect of the Borrowing Entity and is in addition to, and not in derogation of, the said approval. Requisite Audit Committee approval under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained prior to entering into the transactions.

Except Mr. Venugopalrao Maddisetty, Chairman and Managing Director (DIN: 02070491), Ms. Padma Maddisetty, Whole Time Director (DIN: 02070662) and Mr. Rajiv Maddisetty, Whole Time Director (DIN:08495070) being interested in the Borrowing Entity as stated above, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 06 of the Notice for approval of the Shareholders.

**Item no 07: To grant approval under Section 185 of the Companies Act, 2013 for providing Loan / Guarantee for M/s. Inso Pace Private Limited.**

Pursuant to Section 185 of the Companies Act, 2013 ("the Act"), a Company may advance any loan including any loan represented by book debt, or give any guarantee or provide any security in connection with any loan taken by any entity (said entity(ies) covered under the category of 'a person in whom any of the Director of the Company is interested' as specified in the explanation to Section 185(2)(b) of the Companies Act, 2013, after passing a Special Resolution in the general meeting.

It is proposed to make loan(s) including loan represented by way of Book Debt to, and/or give guarantee(s) and/or provide security(ies) in connection with any loan taken/to be taken by the Subsidiary Companies or any other person in whom any of the Director of the Company is deemed to be interested as specified in the explanation to Section 185(2)(b) of the Act (collectively referred to as the "Entities"), from time to time, for its principal business activities.

**Particulars of Proposed Loan / Guarantee / Security:**

| Particulars                  | Details                                          |
|------------------------------|--------------------------------------------------|
| Name of the Entity           | Inso Pace Private Limited                        |
| Relationship with the Entity | Subsidiary having common Promoters and Directors |
| Nature of Transaction        | Loan / Guarantee / Security                      |
| Amount (INR in Crores)       | Amount not exceeding 200 Crores                  |
| Purpose                      | Towards Principal business activities            |

The proposed financial assistance is well within the overall limits approved by the Members under Section 186 of the Act vide Special Resolution passed on October 16, 2024. The present resolution is a specific approval under Section 185 of the Act in respect of the Borrowing Entity and is in addition to, and not in derogation of, the said approval. Requisite Audit Committee approval under Regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been obtained prior to entering into the transactions. Necessary disclosures under Section 186(4) of the Act shall be made in the Board's Report for the relevant financial year(s).

Except Mr. Venugopalrao Maddisetty, Chairman and Managing Director (DIN: 02070491) and Ms. Padma Maddisetty, Whole Time Director (DIN: 02070662) being interested in the Borrowing Entity as stated above, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 07 of the Notice for approval of the Shareholders.

**Item No 08: Payment of Remuneration by M/s. Lineage Power Private Limited, Material Subsidiary of the Company, to Ms. Lahari Maddisetty for Holding an Office or Place of Profit therein**

The provisions of Section 188(1)(f) of the Companies Act, 2013, which govern the related party's appointment to any office or place of profit in the company, its subsidiary company or associate company, aim to ensure transparency in transactions and dealings with related parties of the Company and require prior approval of the Board of Directors and, in certain cases, approval of the shareholders, when the proposed remuneration exceeds the thresholds provided in Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014.

Ms. Lahari Maddisetty is the daughter of Mr. Venugopalrao Maddisetty, Chairman & Managing Director & Ms. Padma Maddisetty, Whole-Time Director of the Company and the sister of Mr. Rajiv Maddisetty, Whole-Time Director of the Company, and accordingly falls within the definition of a "related party" under Section 2(76) of the Companies Act, 2013 read with Regulation 2(1)(zb) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Ms. Lahari Maddisetty has been appointed as the Additional Director in M/s. Lineage Power Private Limited ("the Subsidiary"), a material subsidiary of the Company, with effect from May 25, 2026. In the said capacity, she is holding an office or place of profit in the Subsidiary within the meaning of Section 188(1)(f) of the Act, and is being paid remuneration by the Subsidiary. The Board of Directors of the Company, on the recommendation of the Audit Committee, at their meeting held on June 20, 2026 considered the proposed remuneration payable to Ms. Lahari Maddisetty in her capacity as Additional Director of the Subsidiary. The proposed remuneration payable to Ms. Lahari Maddisetty, the breakup of which is set out in the table of particulars below, exceeds the threshold limit prescribed under Rule 15(3)(b) of the Companies (Meetings of Board and its Powers) Rules, 2014, and accordingly, prior approval of the shareholders of the Company is required by way of Special Resolution.

The principal terms of the appointment are as follows:

| Particulars                   | Details                                                                                                                                                                                                                                  |
|-------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Name of Appointee             | Ms. Lahari Maddisetty                                                                                                                                                                                                                    |
| Relationship with the Company | Ms. Lahari Maddisetty is the daughter of Mr. Venugopalrao Maddisetty, Chairman & Managing Director & Ms. Padma Maddisetty, Whole-Time Director of the Company and the sister of Mr. Rajiv Maddisetty, Whole-Time Director of the Company |
| Material Subsidiary           | <b>M/s. Lineage Power Private Limited</b>                                                                                                                                                                                                |
| Designation                   | Executive Director                                                                                                                                                                                                                       |
| Nature of Duties              | As per the terms of appointment mentioned in the Appointment letter                                                                                                                                                                      |
| Effective Date                | May 25, 2026                                                                                                                                                                                                                             |
| Tenure                        | Not Applicable                                                                                                                                                                                                                           |
| Annual Remuneration           | INR 50,00,000                                                                                                                                                                                                                            |
| Variable Pay / Bonus          | Nil                                                                                                                                                                                                                                      |
| Other Benefits                | The Annual Remuneration includes performance incentives, Bonus, Commission, Employee Benefits, Perquisites and such other allowances                                                                                                     |

Except Mr. Venugopalrao Maddisetty, Chairman and Managing Director (DIN: 02070491) and Ms. Padma Maddisetty, Whole Time Director (DIN: 02070662) being interested in the Borrowing Entity as stated above, none of the other Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this resolution.

The Board recommends the Special Resolution set out at Item No. 08 of the Notice for approval of the Shareholders.

**Item No.9: Appointment of Mr. Pramod S, Practicing Company Secretary as the Secretarial Auditor of the Company to conduct Secretarial Audit of the company pursuant to Section 204 of the Companies Act, 2013 for a period of 5 Years till the Financial Year ending March 31, 2031.**

Pursuant to the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, if any, read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, as amended from time to time, every listed company is required to annex with its Board's Report, a Secretarial Audit Report given by a Company Secretary in Practice.

Further, pursuant to Regulation 24A of the SEBI Listing Regulations, as amended from time to time, every listed entity shall undertake Secretarial Audit by a Secretarial Auditor who shall be a Peer Reviewed Company Secretary and the appointment of such Secretarial Auditor shall be approved by the Members of the Company at the Annual General Meeting (AGM).

In view of the above requirement, the Board of Directors of the Company, at its meeting held on May 25, 2026, on the recommendation of the Audit Committee has, after considering and evaluating various factors such as qualification, independence, experience, technical skills, quality of audit reports, etc. recommended the appointment of CS Pramod S as the Secretarial Auditors of the Company, to the Members at the ensuing Annual General Meeting for a term of 5 (five) consecutive years commencing from Financial Year 2026-27 to Financial Year 2030-31, subject to the approval of the Members, at a remuneration of Rs. 3,25,000/- (Indian Rupees Three Lakh Twenty Five Thousand Only) plus applicable taxes and out-of-pocket expenses. Besides the secretarial audit services, the Company may also obtain certifications from CS Pramod S under various statutory regulations and certifications required by banks, statutory authorities, audit related services and other permissible non-secretarial audit services as required from time to time, for which they will be remunerated separately on mutually agreed terms. The above fee excludes the proposed remuneration to be paid for the purpose of secretarial audit of subsidiary companies, if any. The Board of Directors in consultation with the Audit Committee may alter or vary the terms and conditions of appointment, including remuneration, in such manner and to such extent as may be mutually agreed with the Secretarial Auditors.

CS Pramod S has given his consent to act as secretarial auditors of the Company and confirmed that their aforesaid appointment (if approved) would be within the limits specified by Institute of Company Secretaries of India. Furthermore, in terms of the amended regulations, CS Pramod S has provided a confirmation that he is subject himself to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate.



Accordingly, consent of the Members is sought for passing an Ordinary Resolution as set out at Item No. 9 of the Notice.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing the proposed resolution.

**Item No.10: Approval for levy of charges for serving of any document to the members of the Company.**

As per the provisions of Section 20(2) of the Companies Act, 2013, a Member may request the Company for any document through a particular mode, for which the Member shall pay such fees as may be determined by the Company in its Annual General Meeting.

Since the cost of providing documents may vary according to the mode of service, its weight and its destination, etc., it is proposed that actual expense that may be borne by the Company for such dispatch will be paid in advance by the Member to the Company.

Since provisions of the Companies Act, 2013 requires the fees to be determined in the Annual General Meeting, the Board recommends the resolution set out at Item No. 10 of the Notice for approval by the members by way of an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives are concerned or interested, financially or otherwise, in passing the proposed resolution.

**For Pace Digitek Limited**

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

|                   |                                          |
|-------------------|------------------------------------------|
|                   | Sd/-                                     |
| Name              | : Meghana M P                            |
| Designation       | : Company Secretary & Compliance Officer |
| Membership Number | : A42534                                 |
| Date              | : May 25, 2026                           |
| Place             | : Bengaluru                              |

## Annexure-B

### Additional information on Directors recommended for appointment/ reappointment as required under Secretarial Standard on General Meetings (SS 2)

**Brief Resume: Mr. Venugopalrao Maddisetty**, aged 60, is the Chairman & Managing Director of our Company. He holds Bachelor's degree in Engineering from Shivaji University at and a Master's degree in Business Administration from Newport University, California and a Doctor of Letters from the University of South America. He is currently associated with Pace Power Systems as a partner. He has over 20 years of experience in telecommunications and energy industry. He is responsible for overseeing the daily operations and leads the senior management team of the Company.

| Particulars                                                                                        | Details                                                                                                                                                                                                                                                                                                                                                                                                     |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
|----------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------|----------|-----------------------------------------|-----------------------------|-------------------------------|--------------------|------------------------------------|--------------------|---------------------------|--------------------|
| Name                                                                                               | : Venugopalrao Maddisetty                                                                                                                                                                                                                                                                                                                                                                                   |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| DIN                                                                                                | : 02070491                                                                                                                                                                                                                                                                                                                                                                                                  |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Nationality                                                                                        | : Indian                                                                                                                                                                                                                                                                                                                                                                                                    |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Date of birth                                                                                      | : January 01, 1966                                                                                                                                                                                                                                                                                                                                                                                          |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Age                                                                                                | : 60                                                                                                                                                                                                                                                                                                                                                                                                        |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Educational Qualifications                                                                         | : Bachelor's degree in Engineering from Shivaji University Master's degree in Business Administration from Newport University, California<br>Doctor of Letters from the University of South America                                                                                                                                                                                                         |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Experience                                                                                         | : 21 years                                                                                                                                                                                                                                                                                                                                                                                                  |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Terms and conditions of appointment                                                                | : As per the special resolution dated January 07, 2025                                                                                                                                                                                                                                                                                                                                                      |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Remuneration sought to be paid                                                                     | : As approved by the Shareholders in the Extra-Ordinary General Meeting                                                                                                                                                                                                                                                                                                                                     |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Remuneration last drawn                                                                            | : As mentioned in the Corporate Governance Report for FY 2025-26                                                                                                                                                                                                                                                                                                                                            |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Date of first appointment on the Board of the Company                                              | : March 01, 2007                                                                                                                                                                                                                                                                                                                                                                                            |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Shareholding in the Company                                                                        | : 50,033,310.00 Equity Shares of ₹ 2.00 each                                                                                                                                                                                                                                                                                                                                                                |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Disclosure of relationships between directors inter-se                                             | : Related to Mr. Rajiv Maddisetty (Son), Whole Time Director and Ms. Padma Maddisetty (Spouse), Whole-time Director.                                                                                                                                                                                                                                                                                        |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| The number of meetings of the Board attended : during the year                                     | : 13                                                                                                                                                                                                                                                                                                                                                                                                        |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Names of entities in which the Director also holds : the directorship                              | <table> <tr> <th>Name of the Entity</th><th>Category</th></tr> <tr> <td>Pace Renewable Energies Private Limited</td><td>Managing Director, Promoter</td></tr> <tr> <td>Lineage Power Private Limited</td><td>Director, Promoter</td></tr> <tr> <td>Transgreenx Energy Private Limited</td><td>Director, Promoter</td></tr> <tr> <td>Inso Pace Private Limited</td><td>Director, Promoter</td></tr> </table> | Name of the Entity | Category | Pace Renewable Energies Private Limited | Managing Director, Promoter | Lineage Power Private Limited | Director, Promoter | Transgreenx Energy Private Limited | Director, Promoter | Inso Pace Private Limited | Director, Promoter |
| Name of the Entity                                                                                 | Category                                                                                                                                                                                                                                                                                                                                                                                                    |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Pace Renewable Energies Private Limited                                                            | Managing Director, Promoter                                                                                                                                                                                                                                                                                                                                                                                 |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Lineage Power Private Limited                                                                      | Director, Promoter                                                                                                                                                                                                                                                                                                                                                                                          |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Transgreenx Energy Private Limited                                                                 | Director, Promoter                                                                                                                                                                                                                                                                                                                                                                                          |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Inso Pace Private Limited                                                                          | Director, Promoter                                                                                                                                                                                                                                                                                                                                                                                          |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |
| Names of entities in which the Director holds : membership/chairmanship of Committees of the board | Pace Digitek Limited -Audit Committee- Member<br>Lineage Power Private Limited- Audit Committee- Member<br>Pace Digitek Limited -Risk Managements Committee- Member<br>Pace Digitek Limited- Corporate Social Responsibility Committee- Chairman                                                                                                                                                            |                    |          |                                         |                             |                               |                    |                                    |                    |                           |                    |

## INSTAMEET VC INSTRUCTIONS:

In terms of Ministry of Corporate Affairs (MCA) General Circular No. 03/2025 dated 22.09.2025, the companies can continue to conduct AGMs by VC or OAVM, as per the existing procedural requirements. Till further orders, the relaxations will remain in force.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access InstaMeet facility.

### Login method for shareholders to attend the General Meeting through InstaMeet:

- a) Visit URL: <https://instameet.in.mpms.mufg.com> & click on "Login".
- b) Select the "Company Name" and register with your following details:
- c) Select Check Box – Demat Account No. / Folio No. / PAN
  - Shareholders holding shares in NSDL/ CDSL demat account shall select check box – Demat Account No. and enter the 16-digit demat account number.
  - Shareholders holding shares in physical form shall select check box – Folio No. and enter the Folio Number registered with the company.
  - Shareholders shall select check box – PAN and enter 10-digit Permanent Account Number (PAN). Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided by MUFG Intime, if applicable.
  - Mobile No: Mobile No. as updated with DP is displayed automatically. Shareholders who have not updated their Mobile No with the DP shall enter the mobile no.
  - Email ID: Email Id as updated with DP is displayed automatically. Shareholders who have not updated their Email Id with the DP shall enter the Email Id.
- d) Click "Go to Meeting". You are now registered for InstaMeet, and your attendance is marked for the meeting.

### Instructions for shareholders to Speak during the General Meeting through InstaMeet:

- a) Shareholders who would like to speak during the meeting must register their request with the company at company's registered email address
  - b) Shareholders will get confirmation on first cum first basis depending upon the provision made by the company.
  - c) Shareholders will receive "speaking serial number" once they mark attendance for the meeting. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
  - d) Other shareholder who has not registered as "Speaker Shareholder" may still ask questions to the panellist via active chat-board during the meeting.
- \* Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

### Instructions for Shareholders to Vote during the General Meeting through InstaMeet:

Once the electronic voting is activated during the meeting, shareholders who have not exercised their vote through the remote e-voting can cast the vote as under:

- a) On the Shareholders VC page, click on link "Cast your vote".
- b) Enter your 16-digit Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet.
- c) Click on 'Submit'.

- d) After successful login, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.
- e) Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired. Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
- f) After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

**Note:**

*Shareholders/ Members, who will be present in the General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.*

*Shareholders/ Members who have voted through Remote e-Voting prior to the General Meeting will be eligible to attend/ participate in the General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.*

*Shareholders/ Members are encouraged to join the Meeting through Tablets/ Laptops connected through broadband for better experience.*

*Shareholders/ Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.*

*Please note that Shareholders/ Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-Fi or LAN connection to mitigate any kind of aforesaid glitches.*

**Helpdesk:**

Shareholders facing any technical issue in login may contact INSTAMEET helpdesk by sending a request at [instameet@in.mpms.muvg.com](mailto:instameet@in.mpms.muvg.com) or contact on: – Tel: 022 – 4918 6000 / 4918 6175.

## REMOTE EVOTING INSTRUCTIONS:

In terms of SEBI circular no. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id correctly in their demat accounts to access remote e-Voting facility.

### Login method for Individual shareholders holding securities in demat mode:

#### Individual Shareholders holding securities in demat mode with NSDL

##### METHOD 1 - NSDL OTP based login

- Visit URL: <https://eservices.nsdl.com/SecureWeb/evoting/evotinglogin.jsp>
- Enter your 8 – character DP ID, 8 – digit Client Id, PAN, Verification code and generate OTP.
- Enter the OTP received on your registered email ID/ mobile number and click on login.
- Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on “Access to e-Voting” under e-Voting services.
- Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

##### METHOD 2 - NSDL IDeAS facility

#### Shareholders registered for IDeAS facility:

- Visit URL: <https://eservices.nsdl.com> and click on “Beneficial Owner” icon under “IDeAS Login Section”.
- Enter IDeAS User ID, Password, Verification code & click on “Log-in”.
- Post successful authentication, you will be able to see e-Voting services under Value added services section. Click on “Access to e-Voting” under e-Voting services.
- Click on “MUFG InTime” or “evoting link displayed alongside Company’s Name” and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

#### Shareholders not registered for IDeAS facility:

- To register, visit URL: <https://eservices.nsdl.com> and select “Register Online for IDeAS Portal” or click on <https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp>
- Enter 8-character DP ID, 8-digit Client ID, Mobile no, Verification code & click on “Submit”.
- Enter the last 4 digits of your bank account / generate ‘OTP’
- Post successful registration, user will be provided with Login ID and password.
- Follow steps given above in points (a-d).

Shareholders/ Members can also download NSDL Mobile App "NSDL Speede" facility by scanning the QR code mentioned below for seamless voting experience.



##### METHOD 3 - NSDL e-voting website

- Visit URL: <https://www.evoting.nsdl.com>
- Click on the “Login” tab available under ‘Shareholder/Member’ section.

- c) Enter User ID (i.e., your 16-digit demat account no. held with NSDL), Password/OTP and a Verification Code as shown on the screen & click on "Login".
- d) Post successful authentication, you will be re-directed to NSDL depository website wherein you will be able to see e-Voting services under Value added services. Click on "Access to e-Voting" under e-Voting services.
- e) Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

### Individual Shareholders holding securities in demat mode with CDSL

#### METHOD 1 - CDSL e-voting page

- a) Visit URL: <https://www.cdslindia.com>.
- b) Go to e-voting tab.
- c) Enter 16-digit Demat Account Number (BO ID) and PAN No. and click on "Submit".
- d) System will authenticate the user by sending OTP on registered Mobile and Email as recorded in Demat Account
- e) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

#### METHOD 2 - CDSL Easi/ Easiest facility:

##### Shareholders registered for Easi/ Easiest facility:

- a) Visit URL: <https://web.cdslindia.com/myeasitoken/Home/Login> or Visit URL: [www.cdslindia.com](http://www.cdslindia.com), click on "Login" and select "My Easi New (Token)".
- b) Enter existing username, Password & click on "Login".
- c) Post successful authentication, user will be able to see e-voting option. The evoting option will have links of e-voting service providers i.e., MUFG InTime. Click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.

##### Shareholders not registered for Easi/ Easiest facility:

- a) To register, visit URL: <https://web.cdslindia.com/myeasitoken/Home/EasiRegistration> / <https://web.cdslindia.com/myeasitoken/Home/EasiestRegistration>.
- b) Proceed with updating the required fields for registration.
- c) Post successful registration, user will be provided username and password on the registered email id. Follow steps given above in points (a-c).

### Individual Shareholders holding securities in demat mode with Depository Participant

Individual shareholders can also login using the login credentials of your demat account through your depository participant registered with NSDL / CDSL for e-voting facility.

- a) Login to DP website
- b) After Successful login, user shall navigate through "e-voting" option.
- c) Click on e-voting option, user will be redirected to NSDL / CDSL Depository website after successful authentication, wherein user can see e-voting feature.
- d) Post successful authentication, click on "MUFG InTime" or "evoting link displayed alongside Company's Name" and you will be redirected to InstaVote website for casting the vote during the remote e-voting period.



## Login method for shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode.

Shareholders holding shares in physical mode / Non-Individual Shareholders holding securities in demat mode as on the cut-off date for e-voting may register and vote on InstaVote as under:

### STEP 1: LOGIN / SIGNUP on InstaVote

#### Shareholders registered for INSTAVOTE facility:

a) Visit URL: <https://instavote.linkintime.co.in> & click on "Login" under 'SHARE HOLDER' tab.

b) Enter details as under:

1. User ID: Enter User ID
2. Password: Enter existing Password
3. Enter Image Verification (CAPTCHA) Code
4. Click "Submit".  
(Home page of e-voting will open. Follow the process given under "Steps to cast vote for Resolutions")

|                   |                                     |                                                                                                                |
|-------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------|
| InstaVote USER ID | <b>NSDL</b>                         | User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678). |
|                   | <b>CDSL</b>                         | User ID is 16 Digit Beneficiary ID.                                                                            |
|                   | <b>Shares held in physical form</b> | User ID is Event No + Folio no, registered with the Company                                                    |

#### Shareholders not registered for INSTAVOTE facility:

e) Visit URL: <https://instavote.linkintime.co.in> & click on "Sign Up" under 'SHARE HOLDER' tab & register with details as under:

1. User ID: Enter User ID
2. PAN: Enter your 10-digit Permanent Account Number (PAN) (Shareholders who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

|                   |                                     |                                                                                                                |
|-------------------|-------------------------------------|----------------------------------------------------------------------------------------------------------------|
| InstaVote USER ID | <b>NSDL</b>                         | User ID is 8 Character DP ID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678). |
|                   | <b>CDSL</b>                         | User ID is 16 Digit Beneficiary ID.                                                                            |
|                   | <b>Shares held in physical form</b> | User ID is Event No + Folio no, registered with the Company                                                    |

3. DOB/DOI: Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP/Company - in DD/MM/YYYY format)
4. Bank Account Number: Enter your Bank Account Number (last four digits), as recorded with your DP/Company.
  - o Shareholders, holding shares in **NSDL form**, shall provide 'point 4' above.
  - o Shareholders, holding shares in **CDSL form**, shall provide 'point 3' or 'point 4' above.
  - o Shareholders, holding shares in **physical form** but have not recorded 'point 3' and 'point 4', shall provide their Folio number in 'point 4' above
5. Set the password of your choice.

(The password should contain minimum 8 characters, at least one special Character (!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter).

6. Enter Image Verification (CAPTCHA) Code.
7. Click "Submit" (You have now registered on InstaVote).

Post successful registration, click on "**Login**" under 'SHARE HOLDER' tab & follow steps given above in points (a-b).

## STEP 2: Steps to cast vote for Resolutions through InstaVote

- A. Post successful authentication and redirection to InstaVote inbox page, you will be able to see the "Notification for e-voting".
- B. Select 'View' icon. E-voting page will appear.
- C. Refer the Resolution description and cast your vote by selecting your desired option 'Favour / Against' (If you wish to view the entire Resolution details, click on the 'View Resolution' file link).
- D. After selecting the desired option i.e. Favour / Against, click on 'Submit'.
- E. A confirmation box will be displayed. If you wish to confirm your vote, click on 'Yes', else to change your vote, click on 'No' and accordingly modify your vote.

**NOTE:** Shareholders may click on "Vote as per Proxy Advisor's Recommendation" option and view proxy advisor recommendations for each resolution before casting vote. "Vote as per Proxy Advisor's Recommendation" option provides access to expert insights during the e-Voting process. Shareholders may modify their vote before final submission.

Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently.

**Non-Individual Body corporate shareholders** shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at [enotices@in.mpms.mufg.com](mailto:enotices@in.mpms.mufg.com) and the company at registered email address.

## Guidelines for Institutional shareholders ("Custodian / Corporate Body/ Mutual Fund")

### STEP 1 – Custodian / Corporate Body/ Mutual Fund Registration

- A. Visit URL: <https://instavote.linkintime.co.in>
- B. Click on "Sign Up" under "Custodian / Corporate Body/ Mutual Fund"
- C. Fill up your entity details and submit the form.
- D. A declaration form and organization ID is generated and sent to the Primary contact person email ID (which is filled at the time of sign up). The said form is to be signed by the Authorised Signatory, Director, Company Secretary of the entity & stamped and sent to [insta.vote@linkintime.co.in](mailto:insta.vote@linkintime.co.in).
- E. Thereafter, Login credentials (User ID; Organisation ID; Password) is sent to Primary contact person's email ID. (You have now registered on InstaVote)

### STEP 2 – Investor Mapping

- A. Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- B. Click on "Investor Mapping" tab under the Menu section
- C. Map the Investor with the following details:
  - 1) 'Investor ID' – Investor ID for NSDL demat account is 8 Character DP ID followed by 8 Digit Client ID i.e., IN00000012345678; Investor ID for CDSL demat account is 16 Digit Beneficiary ID.
  - 2) 'Investor's Name' – Enter Investor's Name as updated with DP.
  - 3) 'Investor PAN' – Enter your 10-digit PAN.
  - 4) 'Power of Attorney' – Attach Board resolution or Power of Attorney.

**NOTE:** File Name for the Board resolution/ Power of Attorney shall be – DP ID and Client ID or 16 Digit Beneficiary ID.

Further, Custodians and Mutual Funds shall also upload specimen signatures.

- D. Click on Submit button. (The investor is now mapped with the Custodian / Corporate Body/ Mutual Fund Entity). The same can be viewed under the "Report section".

### STEP 3 – Steps to cast vote for Resolutions through InstaVote

The corporate shareholder can vote by two methods, during the remote e-voting period.

#### METHOD 1 - VOTES ENTRY

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- Click on “Votes Entry” tab under the Menu section.
- Enter the “Event No.” for which you want to cast vote.  
Event No. can be viewed on the home page of InstaVote under “On-going Events”.
- Enter “16-digit Demat Account No.”.
- Refer the Resolution description and cast your vote by selecting your desired option ‘Favour / Against’ (If you wish to view the entire Resolution details, click on the ‘View Resolution’ file link). After selecting the desired option i.e. Favour / Against, click on ‘Submit’.
- A confirmation box will be displayed. If you wish to confirm your vote, click on ‘Yes’, else to change your vote, click on ‘No’ and accordingly modify your vote.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

#### METHOD 2 - VOTES UPLOAD

- Visit URL: <https://instavote.linkintime.co.in> and login with InstaVote Login credentials.
- After successful login, you will see “Notification for e-voting”.
- Select “View” icon for “Company’s Name / Event number”.
- E-voting page will appear.
- Download sample vote file from “Download Sample Vote File” tab.
- Cast your vote by selecting your desired option ‘Favour / Against’ in the sample vote file and upload the same under “Upload Vote File” option.
- Click on ‘Submit’. ‘Data uploaded successfully’ message will be displayed.

(Once you cast your vote on the resolution, you will not be allowed to modify or change it subsequently).

**NOTE:** Non-Individual Body corporate shareholders shall send a scanned copy of the board resolution authorising its representative to vote, to the scrutinizer at registered email address with a copy marked to RTA at [enotices@in.mpms.mufg.com](mailto:enotices@in.mpms.mufg.com) and the company at registered email address.

#### HELPDESK:

##### Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode facing any technical issue in login may contact INSTAVOTE helpdesk by sending a request at [enotices@in.mpms.mufg.com](mailto:enotices@in.mpms.mufg.com) or contact on: – Tel: 022 – 4918 6000.

##### Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in demat mode may contact the respective helpdesk for any technical issues related to login through Depository i.e., NSDL and CDSL.

| Login type                                                         | Helpdesk details                                                                                                                                                                                                         |
|--------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Individual Shareholders holding securities in demat mode with NSDL | Members facing any technical issue in login can contact NSDL helpdesk by sending request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 – 4886 7000                                       |
| Individual Shareholders holding securities in demat mode with CDSL | Members facing any technical issue in login can contact CDSL helpdesk by sending request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33 |

**Forgot Password:**

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode:

Individual Shareholders holding securities in physical mode / Non-Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on "**Login**" under 'SHARE HOLDER' tab.
- Further Click on "**forgot password?**"
- Enter User ID, select Mode and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

|                   |                              |                                                                                                               |
|-------------------|------------------------------|---------------------------------------------------------------------------------------------------------------|
| InstaVote USER ID | NSDL                         | User ID is 8 Character DPID followed by 8 Digit Client ID (e.g.IN123456) and 8 digit Client ID (eg.12345678). |
|                   | CDSL                         | User ID is 16 Digit Beneficiary ID.                                                                           |
|                   | Shares held in physical form | User ID is Event No + Folio no, registered with the Company                                                   |

In case Custodian / Corporate Body/ Mutual Fund has forgotten the USER ID [Login ID] or Password or both then the shareholder can use the "Forgot Password" option available on: <https://instavote.linkintime.co.in>

- Click on 'Login' under "Custodian / Corporate Body/ Mutual Fund" tab
- Further Click on "**forgot password?**"
- Enter User ID, Organization ID and Enter Image Verification code (CAPTCHA).
- Click on "SUBMIT".

*In case shareholders have a valid email address, Password will be sent to his / her registered e-mail address. Shareholders can set the password of his/her choice by providing information about the particulars of the Security Question and Answer, PAN, DOB/DOI etc. The password should contain a minimum of 8 characters, at least one special character (!#\$%\*), at least one numeral, at least one alphabet and at least one capital letter.*

**Individual Shareholders holding securities in demat mode with NSDL/ CDSL has forgotten the password:**

Individual Shareholders holding securities in demat mode have forgotten the USER ID [Login ID] or Password or both, then the Shareholders are advised to use Forget User ID and Forget Password option available at above mentioned depository/ depository participants website.

**General Instructions - Shareholders**

- It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

# Corporate Information

## Board of Directors

**Mr. Venugopalrao Maddisetty**  
Chairman & Managing Director

**Ms. Padma Venugopal Maddisetty**  
Whole-Time Director

**Mr. Rajiv Maddisetty**  
Whole-Time Director

**Mr. Satishchandra B Ogale**  
Independent Director

**Mr. Om Prakash Mishra**  
Independent Director

**Mr. Prabhakar Reddy Patil**  
Independent Director

## Key Management Personnel

**Mr. Rajavendhan P**  
Chief Financial Officer

**Ms. Meghana M P**  
Company Secretary and Compliance Officer

## Statutory Auditors

**M/s. S S Kothari Mehta & Co. LLP**  
Chartered Accountants

## Secretarial Auditor

**Pramod S**  
Practicing Company Secretary

## Registered and Corporate office

Plot # V 12, Industrial Estate, Kumbalgodu,  
Bangalore Mysore Highway, Bangalore,  
Karnataka - 560074

## Bankers to the Company

Canara Bank  
ICICI Bank  
HDFC Bank  
CSB

## Our Manufacturing Facilities:

Unit I: Plot No. 27A, 1<sup>st</sup> Phase, Industrial  
Estate Mysore Road, Kumbalgodu,  
Bengaluru, Karnataka

Unit II: Plot No. 30 A-1, 1<sup>st</sup> Phase, Industrial  
Estate, Mysore Road, Kumbalgodu,  
Bengaluru, Karnataka

Unit III: 73-P, Bidadi Industrial Area, 2<sup>nd</sup> Phase,  
Sector-2, Bidadi, Karnataka

## Website

<https://www.pacedigitek.com/>

## PHONE:

+91- 80-29547792

## Corporate Identification Number:

L31909KA2007PLC041949

## Registrar & Share Transfer Agent

MUFG Intime India Private Limited  
(Formerly Link Intime India Private Limited)

C - 101, Embassy 247, LBS Marg,  
Vikhroli West Mumbai 400 083

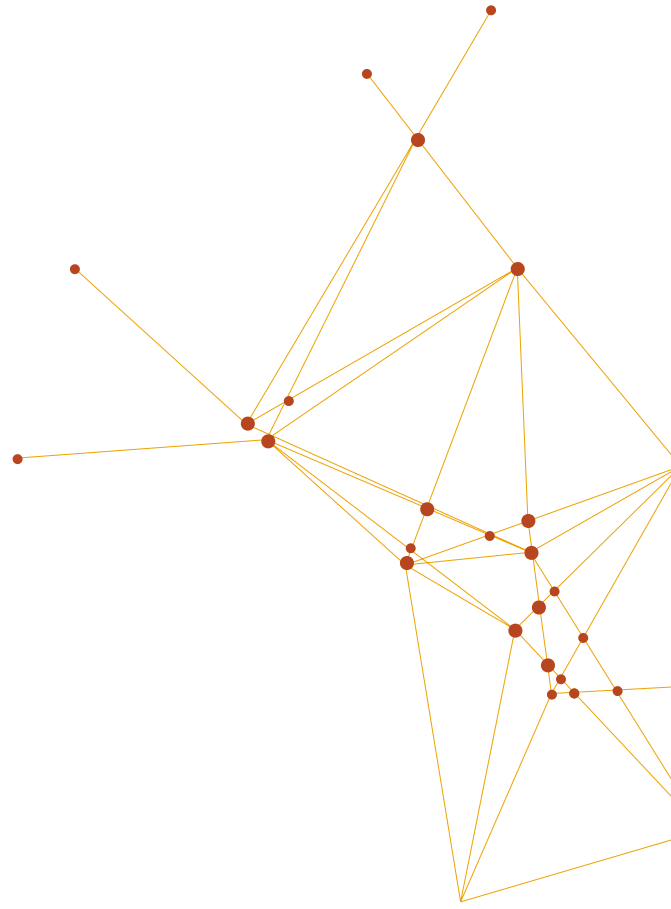
Tel: +91 810 811 6767

E-mail: [investor.helpdesk@in.mpms.mufg.com](mailto:investor.helpdesk@in.mpms.mufg.com)

Website: [www.in.mpms.mufg.com](http://www.in.mpms.mufg.com)







## **Pace Digitek Limited**

### **Registered and Corporate office**

Plot # V 12, Industrial Estate, Kumbalgodu,  
Bangalore Mysore Highway, Bangalore,  
Karnataka - 560074